Routes to tour in Germany

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Heidenheim
Geislingen
Urach
Tailfingen
Ebingen
Trossingen
Messstetten
Tuttlingen

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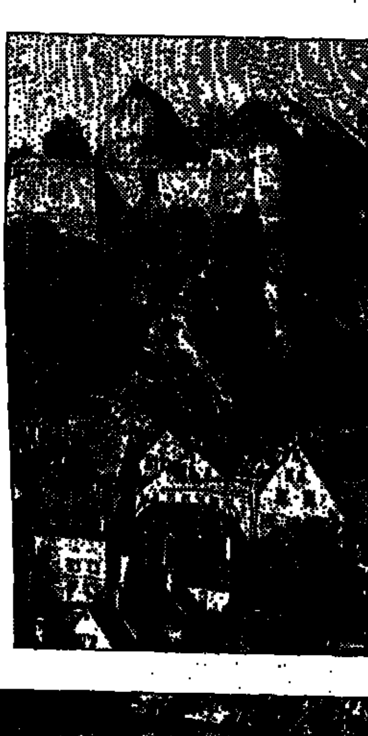
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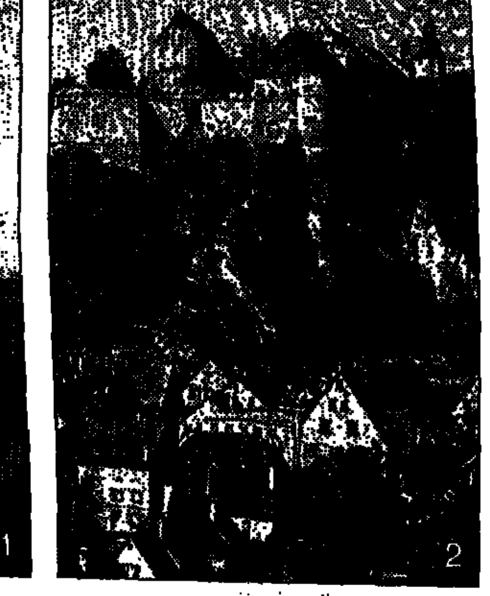
1 View of the Hegau region, near Tuttlingen
2 Heidenheim
3 Nördlingen
4 Urach
5 Hohenzollern Castle



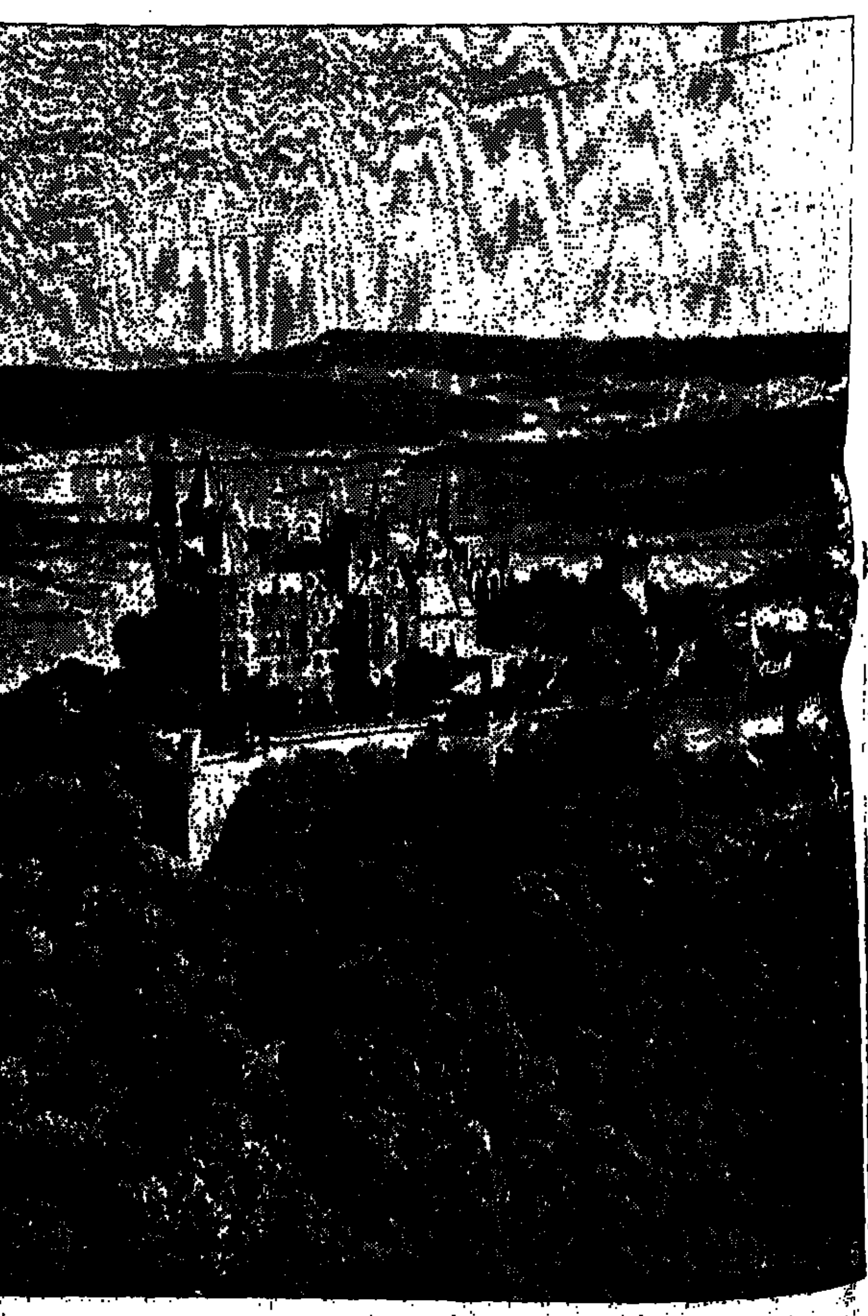
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Top Chinese official makes trail-blazing visit to Bonn

Frankfurter Allgemeine

Hu Yao-bang is the first high-ranking Chinese politician and Communist Party leader to visit the Federal Republic of Germany.

Until a few years ago the Chinese were cagey about maintaining ties with *countries* considered suspect on account of their "capitalist conditions."

Hu has no such qualms. Like the grand old man of Chinese politics, Deng Hsiao-ping, he suffered *at first hand the* vicissitudes of social experiments dictatorially enforced by Mao Tse-tung.

Deng risked physically crossing ideological borderlines in 1979 when he toured the United States. Hu, who is general secretary of China's Communist Party, had also seen several capitalist countries — Japan, Australia and New Zealand.

He has now visited the Federal Republic. *Britain, France and Italy.*

China is interested in a strong, united Western Europe that might one day emerge as an independent counterweight to the superpowers.

It might then also become an interesting partner for Peking in world affairs.

Hu was invited by Chancellor Kohl and SPD leader Willy Brandt. His visit will have no *immediate* and tangible results.

Ties between Bonn and Peking are good. There are no political controversies and economic issues can be discussed by experts entrusted with so doing.

The Federal Republic of Germany is one of China's four main trading partners and the most important of the four in Europe.

Hu is keenly interested in intensifying scientific and economic exchange, but ties with socialist countries remain underdeveloped.

Trade with Japan is constantly on the increase but close collaboration including technology transfer to China leaves much to be desired.

Many Chinese continue to see the United States as a land of unlimited opportunities but US ties with Taiwan are *still a handicap to closer relations* between Washington and Peking.

China is a poor country that would love to develop into an industrial country over the next 50 years, and this aim is paramount in trade ties with Europe.

The days of Maoist narrow-mindedness are over but fears of dependence on others remain, fuelled by unhappy experience of the "whites," especially the Russians in the 1950s.

Trading partners must bear these fears in mind in assessing the outlook *for doing business with China*, which remains a country run by bureaucrats.

They are men who tend to think in terms of tradition and prefer to be guided by what they consider tried and trusted rather than by innovations from abroad.

Besides, they are bound to think in terms of holding on to their own power.

This insistence on no change hampers China's opening to foreign influence *and ideas and the implementation of* Peking policy in factories, towns and villages.

But China is sticking to the policy of opening, of liberalising the market subject to state planning.

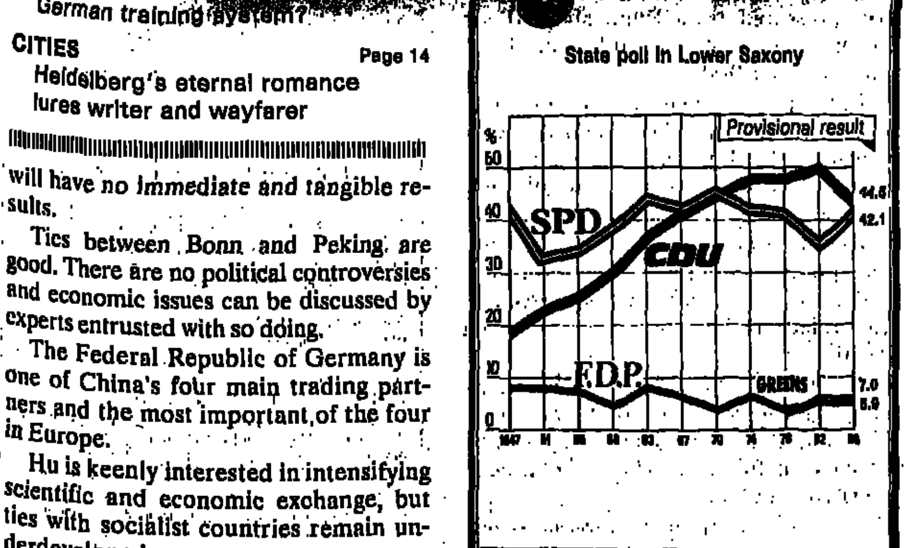
Men such as Deng, Hu and Li Peng, a member of the younger generation of leaders who accompanied Hu to Europe, know that any other approach would merely plunge China back into chaos.

Hu Yao-bang, who has held top jobs in various Chinese provinces, is well aware of his country's problems.

He also knows his fellow-countrymen have for millenia been excellent busi-

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IN THIS ISSUE





In by a whisker: Ernst Albrecht, Premier of Lower Saxony, gives a victory wave as the election result is declared. With him is his wife, Heidi-Adele. (Photo: dpa)

CDU makes it in Lower Saxony — but must form coalition with FDP

The Christian Democrats have scraped back into power in Lower Saxony. In the State election, they lost their absolute majority and, together with the Free Democrats, will have to form a coalition which will have a majority of only one over the combined Opposition forces of Social Democrats and Greens. The CDU's share of the poll dropped from 50.7 per cent in 1982 to 44.5 per cent. The SPD share increased from 36.5 per cent to 42.1 and the Greens' from 6.5 per cent to 7 per cent. The FDP remained at 5.9 per cent (these figures are not final and will be subject to slight change). The CDU now has 69 seats (87 in the old assembly); the SPD 66 (63); the Greens 11 (11); and the FDP 9 (10).

The Bonn coalition has escaped trouble by the skin of its teeth — the CDU and FDP will be able to govern in Lower Saxony with a majority of one.

With just over six months until the general election, the Social Democrats and Greens have failed to turn the tables on the Bonn coalition parties, so Chancellor Kohl has not been given the hiding the Opposition had been hoping for.

Regardless of whether the Greens and the Social Democrats had planned *a coalition, their intention was to hit* the government. But it didn't quite happen.

So although the swing back to the *SPD has not begun in Hanover, the re*sult is not good for either Lower Saxony Premier Ernst Herr Albrecht or Chancellor Kohl. It was too close for comfort.

The two sides are only a hair's breadth apart in electoral support. Herr Albrecht has lost his absolute majority and has no reason to smile.

CDU losses cut Christian Democrat support to the quick, and were it not for the allegedly moribund FDP Herr Albrecht would be in Opposition and Chancellor Kohl in trouble.

The Bonn coalition has escaped a serious crisis of confidence by the skin of its teeth. There really is no other word for it.

How did the Bonn coalition line-up just manage to pull it off? Chernobyl, atomic energy, dissatisfied farmers and doubts about the Chancellor's leadership could easily have been the CDU's undoing.

It took the Chancellor's decision to appoint Walter Wallmann as Environment Minister in Bonn to swing the pendulum back to where it stood on election day in Lower Saxony.

It was an escape but a narrow one, and it means that the Bonn coalition cannot afford to rest on its laurels in the general election campaign.

SPD Opposition leader Gerhard Schröder gained votes but narrowly failed to oust Herr Albrecht.

The general election outcome for Shadow Chancellor Johannes Rau, SPD *Premier of neighbouring North* Rhine-Westphalia, is still anyone's guess.

The debate on whether or not to join forces with the Greens will continue, and there are sure to be Social Democrats who attribute the unexpectedly poor performance of the Greens to Herr Rau's reluctance to accept them as coalition partners.

Herbert Kremp
(Die Welt, Bonn, 16 June 1986)

■ INTERNATIONAL

Waldheim win sets the ground shaking

STUTTGARTER ZEITUNG

Kurt Waldheim's resounding victory in the Austrian presidential election has triggered a political earthquake in Vienna.

His Socialist opponent for the Presidency, Kurt Steyrer, was not the real loser. The loser was Socialist Chancellor Fred Sinowatz, who resigned as head of government.

It was the only option open to Bruno Kreisky's luckless heir and successor.

In resigning Herr Sinowatz sought to retain for the Socialist Party a last chance of reversing the trend.

After Dr Waldheim's victory there would otherwise seem to be no way of averting a transfer of power.

Kurt Waldheim is a conservative and the first non-Socialist Austrian head of state. His campaign was based on the need for change.

He won convincingly, and not just by virtue of the populist line he took in defending himself against attacks on his controversial role during the Third Reich.

He owed his victory in part to the dissatisfaction felt by Austrian voters with the blunders of their Socialist government.

The Socialist eclipse was clearly in the offing from the moment Dr Kreisky, who *reigned supreme as "Kaiser Bruno" in the 1970s, failed to maintain his party's absolute majority.*

Kreisky was in ill-health and made way for Fred Sinowatz, who headed a coalition government.

He had trouble both with his own party and with his coalition partners, the conservative Freedom Party, and was soon forced on to the defensive.

He lacked both leadership and good luck; both contributed toward his decline. In handing over to Finance Minister Franz Vranitzky he has accepted responsibility for Dr Steyrer's defeat in the Presidential poll.

Vranitzky has little time in which to settle in as Chancellor. A general election is due next spring, and Dr Waldheim has already said he will be making full use of his Presidential powers.

So the head of state could come more to the fore than his predecessors, keeping the trend toward conservatism more in the limelight.

His influence on day-to-day politics may be slight, but his effect as a symbolic figure ought not to be underestimated.

True, Socialists and Greens who sided with him in a no-holds-barred Presidential election campaign may switch allegiance again.

Many will have felt the debate on Dr Waldheim's past to have been malevolent intervention by foreign interests in Austrian affairs and have voted for him in protest.

A backs-to-the-wall mentality and maybe even latent anti-Semitism may also have played a part, having been triggered by the campaign hue and cry. But they are likely to subside as soon as day-to-day politics comes back into its own.

It will be for President Waldheim to encourage a return to normal. As a democrat he can hardly relish some of the sentiments the campaign brought to light.

This is what he means when he says his task will be one of reconciliation. After such a convincing victory he is more likely to succeed at home than abroad.

If his victory had been narrower the embittered debate might well have continued in Austria, but the electoral mandate must now be accepted. Otherwise the institution of the Presidency can only suffer.

This is a point Dr Waldheim will be able to make when he takes over as head of state. But he will not have as easy a time of making people outside Austria forget the campaign clashes.

He has forfeited credit both in Austria and in countries where people are particularly sensitive about any suspicion of candidates for public office having a Nazi *past.*

Israel's reaction has been drastic, whereas other countries have shown greater restraint. But their reserve conceals deep unease about the new Austrian head of state.

A country that seemed so successfully to have severed links with its Third Reich past has been most awkwardly reminded of it by the Waldheim debate.

International opinion will continue to hold against Dr Waldheim his reluctance to own up to the truth and seeming determination to remember as little of his past as possible.

This failure will probably be held against him throughout his Presidency. It is a poor state for the head of state, a man who represents his country.

Joachim Worthmann

(Stuttgarter Zeitung, 10 June 1986)

Contras release Germans: lesson for any future volunteers

Eight young Germans abducted by the Contra forces in Nicaragua have been released unharmed after strenuous efforts on their behalf.

Many people and organisations helped:

- The crisis staff at the Foreign Office in Bonn who worked round the clock from 17 May.
- Social Democrat Hans-Jürgen Wischnewski, who held negotiations in *Nicaragua on behalf of the hostages'* parents and the Bonn government.
- The US government, whose influence on the "Contras" must not be underestimated.
- The Sandinist government of Nicaragua, which agreed to an armistice.
- The German special envoy, ambassador Jansen.
- The Catholic suffragan bishop of Quito, Emil Stehle.

What lessons must be learnt from this episode?

The first is surely that going as a "reconstruction volunteer" to a country in the throes of civil war involves running a serious risk.

They are certain to be caught between the fronts and become combatants whether they want to or not.

Those who, like the Social Democrats and Greens, approve of sending out volunteers or even raise them ought at least to make this point clear to young people.

There is far less dangerous terrain where young people who feel they ought to help the Third World can work.

Eight young Germans discovered at first hand what it means to be in the firing line of conflicting political objectives.

The "Contras" wanted to use them to gain international legal status as combatants; the Sandinists refused for this very reason to allow the International Red Cross to mediate.

The United States acted after being pressed by Bonn to do so. The "Contras" are likely to have been persuaded to oblige by a Congressional debate on $100m in aid from the Reagan administration.

After the joint press conference held by the hostages' parents and the Greens in Bonn there can be no doubt which side the eight youngsters were on.

They are alleged to have been wearing Sandinist uniforms and to have carried arms. But that is neither here nor there.

The Federal government must intervene on behalf of every German in trouble, regardless of his political persuasions.

Working diplomatic ties with Nicaragua and the United States and, at a political level, with the "Contras" can be said to have clinched matters and secured the hostages' release.

It has been a victory for politics of moderation over a onesided, partisan approach.

(Allgemeine Zeitung, Mainz, 12 June 1986)

Continued from page 1

nessmen who will work hard to ensure their families' well-being when they are allowed to do so.

Overseas Chinese all over the world fully testify to that, as do a *number* of successful businessmen in mainland China, even though they may still be the exception, not the rule.

Hu is a spirited public speaker and not a man to mince his words, which makes him a man in Deng's mould.

He was bound to raise with people he conferred with in Germany difficulties that here and there beset the development of joint undertakings.

He was also bound to *give a ready* hearing to any mention of requests on behalf of German students and academics.

But his visit had another, special significance. Hu would like to make it clear both in the West and to his own people that collaboration with the industrialised world, dismissed as decadent a decade ago, is of mutual benefit.

He included in his delegation Fei Hsiao-tung, a sociologist of international repute who studied and taught in London and at Harvard and elsewhere before the war.

Like many other Chinese intellectuals Fei, 76, had trouble with the authorities some time after the People's Republic was founded, especially during the so-called cultural revolution.

Since Mao's death he has been acknowledged as an outstanding authority in his field again. His membership of the Chinese delegation must be seen as a symbol of the importance Hu attached to his tour.

Communist China is keen to show tangible progress in the world, regardless of ideological differences.

René Wagner

(Frankfurter Allgemeine Zeitung für Deutschland, 12 June 1986)

Outgoing official warns about links with US

After three years in office former Foreign Office state secretary Berndt von Staden is retiring as coordinator of German-American cooperation.

He said in his 1985 report that there were still irritations between the Federal Republic and the United States. There had been disagreements as long as the two had been allies.

The number of disputes was increasing, with Libya and Salt 2, for instance. The trend was getting stronger as the older generation handed over to the younger.

He said that was nothing unusual among friends and allies. But greater efforts must be made to promote understanding.

For Washington, Europe remained important, but America today was more keenly aware of its international political obligations and financial burdens.

Herr von Staden, a former German ambassador in the United States and visiting professor at Georgetown University, Washington, said German policy must be to aim at what he called a critical proximity in relations between the two countries.

He welcomed the DM100m increase in the funds of the German Marshall Fund, to be paid out over the next 10 years.

The fund was a gesture of gratitude for US aid to Germany after the Second World War.

The parliamentary youth exchange sponsorship programme agreed by the Bundestag and Congress four years ago has been further developed.

In 1985/86 the number of students or young workers from the other country sponsored by a Bundestag MP or member of Congress increased from 581 to over 1,000.

Each spends a year in the other country, staying with a host family. Other private and public-sector exchange programmes had been substantially expanded too, Herr von Staden said.

He felt after three years in office that the appointment of a Foreign Office coordinator to look after German-American relations in Bonn had been well worthwhile.

In Washington German-American cooperation was supervised by a steering committee. A decision has yet to be reached in Bonn on who is to succeed Herr von Staden.

(Frankfurter Allgemeine Zeitung für Deutschland, 12 June 1986)

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■ WORLD AFFAIRS

Imbalances in the balance sheet: 40 years of Cold War and detente

Frankfurter Allgemeine

The Cold War began 40 years ago. Twenty years ago it was modified by detente, but the clash between democracy and dictatorship remains, and with it the need to bridge the gap.

Over and above cold war and detente, what factors must be said to strike the balance of Euro-Atlantic security today?

The first balance was struck by the 1949 North Atlantic Treaty. Politics was globalised, Europe divided, and the waging of war was ruled out by the nuclear threat.

The West's moment of truth came in 1948/49 with the Berlin blockade. The legal succession to the German Reich was at the focal point of the Cold War, and this was the context in which Nato took shape.

Eighteen years later the Harmel *Report* outlined aims and ways of achiev*ing detente*. Arms control and confidence-building were the targets and they were to be achieved on the basis of assured defence capability.

Between 1949 and 1967 the Federal Republic of Germany had joined Nato and emerged as an economic and industrial power.

The hydrogen bomb, the sputnik and Soviet intercontinental ballistic missiles had established parity with the United States.

Nato strategy switched from massive retaliation to flexible response.

War had threatened more than once: when the East German and Hungarian uprisings shook the Soviet empire in 1953 and 1956 and when Stalin's heirs staged the second Berlin crisis and the Cuban crisis.

The hot line between Washington and Moscow and the atmospheric test ban treaty marked the transition to detente, a new mode of conflict, from 1963.

The final fillip to Nato's opening detente balance sheet was given by General de Gaulle, who decided in 1966 that France was to play a special role, relying mainly on its nuclear *force de frappe*.

The rise of detente was soon followed by its gradual eclipse. Keynotes of its rise were the nuclear non-proliferation treaty, the Salt 1 arms limitation treaty and the superpowers' failure to agree on anti-missile missiles, rationalised in the ABM treaty.

Conflict management in Central Europe was reflected in the 1971 Four-Power Berlin Agreement and the 1972 Basic Treaty between the two German states.

But America was beset by Vietnam and Watergate while Russia played the game to rules that condemned the West to moderation and allowed the East to satisfy a healthy appetite.

The Soviet naval build-up was followed by wide-ranging Soviet commitments in Africa, while since 1976 Soviet SS-20 missiles have been aimed at targets in the West with a view to making Bonn waver.

Could detente survive the Soviet occupation of Afghanistan and the suppression of Solidarity in Poland? Views differed in the West.

At the same time the Helsinki process, which was to have been the mainframe for German Ostpolitik, gradually crumbled.

It took Nato missile deployment and the SDI research programme to regain the initiative for the West.

But does the West have a coordinated grand strategic design? Has it struck a balance of its interests or of the psychological and social factors on which, in the final analysis, security policy depends?

We are still housed in post-war structures and they are showing signs of age, as are the psychological and political circumstances in which they took shape.

Detente too, with its unclear rules, is past history. So it is high time to strike a balance in view of new threats and changes in the balance of power, as in 1949 and 1967.

Factors to be taken into account include macabre advances in arms technology, imbalances in the social contract in Western welfare states, the burden imposed on world trade by the oil shock, the profound changes in generations and values in the West and the slow changes in the East.

Containment of Soviet expansionist strivings remains the touchstone of security it was 40 years ago as seen by George F. Kennan.

There is no choice between the Atlantic alliance and the "Europeanisation of Europe" of which some people in the Federal Republic dream.

Extended deterrence will long be needed from the other side of the Atlantic, including the sheet anchor of US servicemen and their families stationed in Europe.

Western strategy is, however, in need of reappraisal. It must become operative again. Only then will the balance of power be stable.

Above all, the Europeans will need to abandon fond illusions. Europe needs a variable geometry if it is to be a partner rather than a client of the United States in world affairs.

That entails responsible management of power rather than the arrogance of impotence and the rationalisation of weakness.

European high tech, the free market and a common currency are ways in which this change can be ensured. An effective European Parliament is another.

The balance sheet will have to include international imbalances over and above the East-West conflict.

Low-intensity war on industrial democracies in the form of terrorism calls for a cold-blooded response.

Interests and dangers extend beyond what was once laid down as Nato territory.

A European Ostpolitik that takes into account responsibility for people in the eastern Mediterranean must also be included. So must hard-nosed arms control.

Michael Stürmer

(Frankfurter Allgemeine Zeitung für Deutschland, 7 June 1986)

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Terrorism not one of the great world threats, says expert

If terrorism were the world's major threat, why didn't threatened countries fight it harder? asked Professor Walter Laqueur, the British historian.

Professor Laqueur, who is head of research at the Strategic Studies Centre in Washington DC, said if it were true that terrorism was a world threat, why hadn't governments and Parliaments acted politically and financially?

In a lecture to the Konrad Adenauer Foundation in St Augustin, near Bonn, he said he did not believe that terrorism was one of the three most important dangers in the world today as had been claimed at the Tokyo economic summit.

The lecture was heard by Israel's ambassador in Bonn, Yitzhak Ben-Air, senior Interior Ministry officials, military men, scientists and academics.

"There isn't even an under-secretary (with responsibility for combating terrorism)," he said, "let alone a Minister."

Later generations might wonder that terrorism had been referred to in the 1980s as a cancer yet done nothing about it.

Every medium-sized drug manufacturer spent more on research than was spent on fighting terrorism. This made him suspicious of words by politicians.

Recent aspects of terrorism include the fact, as he sees it, that inappropriate means are used to combat terrorism.

He reiterated in Bonn his criticism, in an interview with the Washington correspondent of *Die Welt*, after the US bombing of Libya.

He felt the US bombardment of Tripoli and Benghazi was inappropriate on grounds of efficacy rather than on moral grounds.

To catch a mouse, he said in his lecture, you send in a cat, not a tank or an aircraft carrier.

By cat he meant covert action, something that has gone by the board in the United States since Vietnam and no longer exists.

The danger posed by terrorist groups and government-backed subversive activity is, in his view, that terrorism could become a matter of life or death for democracy.

He is worried by the heightened liability of technologically advanced states to sabotage. The question is: when is the state thrown out of joint?

He feels we will have to grow accustomed to the use of violence by small minorities against the state, against other classes or against other minorities.

We will need to learn to live with it and to fend it off, he says.

Werner Kahl

(Die Welt, Bonn, 6 June 1986)

■ THE PARTIES

Youth wings have trouble getting heard: Press doesn't hear, elders don't listen

None of the youth organisations of the three leading political parties, the Christian, Social and Free Democrats, get much Press coverage.

Even the national conferences of the *Junge Union*, the Young Socialists and the Young Liberals get little mention.

They also have trouble getting their parent parties to notice them.

On the other hand, the Greens are so young that they don't need a youth wing.

Only three non-Green members of the Bonn Bundestag are under 35, the uniform upper age limit for the major parties' youth organisations. All three are, as it happens, Christian Democrats.

This is unlikely to change much after next January's general election. Not one Young Socialist or Young Liberal has been nominated for a safe parliamentary seat.

For the CDU/CSU the only under-35s who are likely to be elected are sitting members.

Since the late 1970s leadership of a party-political youth organisation has no longer been a safe bet for embarking on a political career in Bonn.

Until then it was a matter of course that Matthias Wissmann of the *Junge Union* and Gerhard Schröder of the Young Socialists could be sure of election to the Bundestag.

None of their successors have succeeded in following in their footsteps. Some, of course, didn't want to; they wanted to exert political influence but did not convey the impression of wanting to gain personal power.

The present youth leaders, Christoph Böhr of the *Junge Union* and Ulf Skirke of the Young Socialists (who recently stepped down on age grounds and was succeeded by Michael Guggemos), were not pressed to stand.

Böhr and Skirke say they feel youth and party work is more important than angling for parliamentary selection.

Guido Westerwelle of the Young Liberals sought nomination in North Rhine-Westphalia but wasn't selected.

Membership is marking time, if not declining, characteristically. Only the Young Liberals claim their membership has increased.

But in absolute terms the increase is so marginal (to about 4,500) that the Free Democrats, the parent party, are *not particularly impressed.*

The increase is partly due to the Young Liberals only having been the FDP's youth wing since 1983.

Junge Union membership has marked time at about 250,000 for four years or so. About 200,000 Social Democrats are under 35 and qualify as Young Socialists.

In the early 1970s they were joined by between 40,000 and 100,000 newcomers a year (100,000, the record, was in 1972).

In 1981 new members totalled 11,600, in 1983 22,200 and about 25,000 last year.

Everyone has explanations at the ready. Young people today are said to be reluctant to join an established party machine.

They may be prepared to campaign for the Third World or for Nicaragua but they see no point in embarking on the long march through the ranks of a political party.

Young people are said to be tired of *politics, partly because of allegations of* tax evasion in connection with party fund-raising.



Besides, declining birth rates could well mean senior citizens' wing of the *CDU/CSU counts for more than the* youth section before long.

There are still differences, however. The *Junge Union* has always been reputed to be nothing more than a training ground for would-be politicians.

Unlike the Young Socialists, it has never been at daggers drawn with its parent party on ideological principles.

Junge Union leaders feel in contrast the declining influence of the Young Socialists in the SPD is due mainly to the *Jusos* having parted company with the party on fundamentals.

In the *Junge Union* this is seen as a warning not to indulge in "petty squabbles" with the party.

Christoph Böhr's call on Chancellor Kohl to replace Friedrich Zimmermann as Interior Minister after the next elec*tions is about as far as conflict is al*lowed to go.

Böhr feels the CDU/CSU runs a risk of being fatigued by the day-to-day business of government. The *Junge Union* claims to raise future-oriented issues in party work. But loyalty toward the party leader and Chancellor is not forgotten.

The *Junge Union* is also run jointly by *the Christian Democrats and, in Bavaria,* by the Christian Social Union. So it maintains a middle-of-the-road approach between Bonn and Munich, as it were.

When the *CDU/CSU is in office,* Böhr says, its youth wing cannot afford to be so forthright as in Opposition.

Yet factual criticism has been found to go largely unnoticed both within the party and in general.

CDU/CSU support among young voters is not so low as to make the party pay special attention to its youth wing in *the way it is currently wooing women* and farmers.

Böhr lacks the self-confidence with which his predecessor, Matthias Wissmann, used to address Chancellor Kohl man-to-man, chairman-to-chairman as it were.

He says many Christian Democrats found that somewhat absurd.

*It is amazing how strongly the party-*political youth leaders resemble their elders in approach. While the CDU/CSU youth assumes an air of responsibility, the Young Liberals are quick to publicise their demands and criticism, as is Foreign Minister Genscher.

*As junior partners in the Bonn coali*tion both the Free Democrats and their *youth wing are keen to stress distinc*tions between their views and those of the CDU/CSU.

Guido Westerwelle and his predecessor, Hans-Joachim Otto, are extremely self-assured in their public appearances. The Young Liberals say they have no intention of constantly stopping to think whether a move or idea is in strict con*formity with coalition agreements.*

The FDP may be a bourgeois party but it is not a narrow-minded one, and the Young Liberals are keen to remedy mistaken ideas as to the party's image.

It would be appalling if the FDP were to appear to be the party of the rich and a party of "social cold," Westerwelle says, clearly attacking former Economic *Affairs Minister Otto Lambsdorff.*

The Young Liberals have more in common with Herr Genscher than with Economic Affairs Minister Martin Bangemann, the present FDP leader, and they seek support among young people they see as future-oriented and prepared *to give of their best, like the FDP.*

Differences of opinion remain as to how best to appeal to young people of this kind, but the difficulties the FDP and the Young Liberals have with each other mainly reflect a clash between generations.

The youngsters want to come into their own and their elders occasionally *remind them that they lack experience.*

The Young Liberals say with satisfaction that they wield more political influence than any other party-political youth organisation. Ideas are more important than party-political office – and they have time.

Yet even they have found that the Free Democrats prefer to canvass for the support of other voters than the young.

The Young Socialists are in a more serious state of crisis than the other two. Maybe their influence was overrated in the early 1970s. The Greens have cer*tainly robbed them of publicity* and membership potential.

But they are accused by the SPD of failing to solve the problem of the Greens. A report commissioned by the SPD executive said last autumn there was *no central* topical issue generally associated with the *Young Socialists by the public.*

Young Socialists in contrast feel their crisis is partly due to the state of the SPD itself.

Ulf Skirke says there has been an SPD blockade of the Young Socialists as "bearers of new social movements" *since 1979*, when Helmut Schmidt was Chancellor.

The profound crisis the SPD underwent in the final years of the SPD-FDP Bonn coalition is felt to have affected the Young Socialists too.

Since Herr Schmidt's retirement and the opening of the *SPD to the Left* the Young Socialists have found it hard to develop a *line of their* own.

In defence policy the *Juso* line, rejection of medium-range missiles, has gained the upper hand in the party. The youth wing's views on atomic energy look like gaining acceptance too.

Skirke feels the SPD ought to do more for its youngsters and *plans* to write to the SPD executive saying young people have no place structurally in the party.

The Young Socialists stayed away from the SPD's Hamburg economic affairs conference in protest, saying afterwards it was a disgrace no-one had noticed their absence.

But all party-political youth leaders agree that under-35s are going to find it hard to replace their elders. There are too many elders and too few jobs for the asking.

The situation is much the same in the armed forces or among university teachers.

The immediate post-war generation has given way *to the* generation that set out on the road to power during the student unrest days of the late 1960s and early 1970s. Their successors look like staying out in the cold for some time.

Günter Bannas

(Frankfurter Allgemeine Zeitung für Deutschland, 7 June 1986)

New Young Socialist leader aims at restoring consensus

Michael Guggemos, the new Young Socialist leader, sees his main task as establishing a consensus among the warring Young Socialist factions.

Only by restoring unity among the SPD's youth organisation can the rot be stopped and the Young Socialists stand any chance of regaining effective influ*ence on the party.*

Guggemos, 29, clearly has his own political *career in mind but the Young* Socialists are certainly going through a rough patch.

Their new leader, a Tübingen student of art and political science, has long experience as a mediator in the SPD.

He set up a Young Socialist group in Ehingen in 1974 and worked in the Baden-Württemberg Young Socialist executive from 1977. He was spokesman for the executive from 1982 to 1985.

Guggemos is not a theoretician. From 1980 to 1984 he tried to exert practical influence as a local councillor in Ehingen.

His interest in political reality accounts for his inclination to mediate.

At the last Young Socialist congress he made sure of a safe majority consisting of his own group, the south German regions, and the left-wing *Stamokap* group, which made up a third of the delegates.

He plans to retain the allegiance and support of the losers, the undogmatic Left, over the next two years mainly via a joint programme of "future-oriented left-wing policy."

But his "socialist concept of practically feasible reform policy" is aimed at both restoring Young Socialist unity and exerting pressure on SPD Shadow Chancellor Johannes Rau.

The undogmatic Left views with suspicion the new Young Socialist leader's appeals for unity.

Their spokesperson, Ruth Winkler, says his calls for unity at times remind her of Herr Rau.

Heinrich Billstein

(Kölner Stadt-Anzeiger, Cologne, 10 June 1986)



Michael Guggemos . . . a realist. (Photo: dpa)



■ PERSPECTIVE

Poland, Germany and the Europe of the future

Soviet leader Mikhail Gorbachov made three things clear at the East German Communist Party (SED) congress in East Berlin.

- East Germany plays a key role in *Comecon*,
- Comecon integration should be intensified, and,
- Europe is "our common house".

What does this mean for the policy of the Federal Republic towards Poland?

In view of what Gorbachev said, how can the West *Germans contribute tow*ards a common European policy stance on this issue?

A brief look at history outlines the possibilities.

Since the 19th century at the very latest German-Russian relations have been characterised by ideological as well as foreign policy factors.

German Conservatives pinned their hopes on Russia as a bulwark against the ideas of 1789 and against the threat to traditional monarchies.

They placed their trust in the "Holy Alliance".

The German democratic and national left-wing organisations *initially regarded* Russia as an ally in the struggle against Napoleon.

However, during the Hambach Festival in *1832*, following the Tsarist suppression of the Polish rebellion against the Russians, there were already cries of "... *no German freedom without Polish* freedom! No lasting peace, no salvation for other European *nations*, without Poland's freedom!

Those in Germany who supported the western ideas of freedom sided with Poland rather than Russia, whereas monarchical-cum-legitimistic reactionaries turned to Russia, even at the expense of Poland's *existence* as a *nation-state.*

It is no coincidence that similar constellations still exist today.

Representatives of the more western-oriented political groups support the Pol*ish struggle against Russian hegemony.*

Many members of the educated classes and left-wing intellectuals, *on the other* hand, would appear to have a kind of "a priori sympathy" for the Soviet Union, thus continuing the tradition of the German Romantics and the traditionally anti-western German bourgeoisie.

Their motives, they claim, are the his*torico-cultural affinities between Russia* and Germany on the one hand, and the "Socialist cause" of the Soviet Union and its suffering during the Second World War on the other.

This reflects the fact that the Polish people suffered just as much as the Russian people under Nazi tyranny rather than humane solidarity with the Russian people.

Since the October Revolution at the latest Russia has been viewed by some *Germans* — despite *numerous aberrations* — *as the* protagonist of a Socialist and *progressive* worldly mission or as the victor in terms of the world's history.

Once again, Russia adopts the role of trailblazer.

Today's relations between the Germans and Russians harbour contrasting historical tendencies: fear of the Rus*sians*, Nazi anti-Bolshevism, political opposition in the more democratic forms of anti-*Communism, and romantic* anti-western and anti-capitalist sympathies for the eastern power.

Fear and sympathy are rooted in both right-wing *and* left-wing sources.

This is relevant in terms of our policy towards Europe as a whole.

One of my Polish colleagues from Oppeln was extremely pessimistic after his recent visit to the Free University in West Berlin.

During discussions, he claimed, he noticed that many Germans treated him disdainfully and disparagingly because of Poland's alleged inability to come to terms with its political and economic problems.

Many of these German critics, however, would appear to be unaware of the fact that we Germans must accept a great deal of the blame for this situation.

Hitler's war of aggression meant that once again in its history Poland lost its national independence and was thus unable to determine its political and economic future.

Our awareness of this historical burden seems to be disappearing, even though it is of key importance to German policies towards Europe.

Beyond all moral guilt vis-à-vis the Polish and Russian people the political question remains: do we Germans want a Europe together with the Soviet Union at the expense of Poland or a Europe which includes Polish and hence European freedom?

This policy touchstone has basically remained the same since the 19th century.

Mikhail Gorbachev's peace moves to a certain extent set out to gain German *support for the first alternative.*

In view of the mixed German feelings in this respect his efforts may be successful. The second "path to Europe", however, is more in keeping with the tradition of German democrats, i.e. an all-European strategy which peacefully leaves all doors to freedom open.

Our policy towards Poland — and this is by no means a coincidence — is a test case.

To concentrate on the "stabilisation" of the current regime in opposition to the Polish people would be wrong.

Progress in matters of freedom in Poland *can only be made without* bloodshed as the result of a complicated interplay of factors.

This encompasses the popular pressure of fundamental rejection of the regime and the articulation of that protest by sections of the Solidarity movement and the Polish intelligentsia.

It also includes the search for compromise solutions by members of the political Opposition and the Church, as, for example, in the "Experience and Future" discussion circle which existed during the period in which Solidarity was legal.

These groups need the support of persons in the official political authorities *who are willing to back reforms.*

They in turn could then point towards the popular pressure for reform in Polish society and thus gain political ground in discussions with the Stalinists in their own ranks and with regard to Soviet hegemony.

An intelligent and morally alert German public and political diplomacy could be a great help.

At the moment, however, it looks as if we are unfortunately witnessing a renaissance of national prejudices in the Federal Republic, and these do not just happen to be against the Americans, French and Poles.

The Poles, the prejudice runs, do not work hard enough and cannot organise; the French pursue a double-dealing policy; and the Americans are politically clumsy and (according to a number of Berlin Social Democrats) are not *friedensfähig* (literally: able to establish and maintain peace).

All democratic forces should do everything in their power to fight against such foolish and dangerous clichés via a fair information campaign.

We Germans cannot evade the secular dispute between East and West.

Either we decide to gradually adapt to the perspectives outlined by the Soviet Union, or we try to strengthen peace by single-mindedly promoting the common East-West interest in a free and open Europe. This could be the common goal of German-Polish conciliation.

Gesine Schwan

(Rheinischer Merkur/Christ und Welt, Bonn, 24 May 1986)

The writer is Professor of political science at the Free University of Berlin.

Soviet diplomat speaks out frankly

Valentin Falin, former Soviet ambassador in Bonn, was remarkably frank about the mishaps and difficulties of Soviet politics during a press conference he gave in the West German capital.

Falin, who had not visited Bonn for more than seven years, is now head of the Soviet news agency *Novosti.*

His frank approach during the press conference in the Soviet embassy would appear to be part of the new style in Soviet information policy.

His remarks covered a wide area of topics, ranging from the Soviet policy towards the West and German-Soviet relations to the tragedy and *implications of the nuclear* reactor accident in Chernobyl.

All heads of western delegations in East-West negotiations complain about the discrepancy between what Gorbachev says and the almost total inflexibility of his negotiators.

Why is this the case? Are half-baked concepts to blame? Or the ponderous *Soviet foreign policy apparatus?*

Falin's answer: "A new policy cannot be established overnight or in one hour, particularly if the new concepts of politicians have to be translated into action by people who thought and were taught to think along completely different lines up until that time.

"They need time to adjust to the new situation. And if this doesn't happen, the norm becomes a cliché."

The Soviet Union, said Falin, is ready to do some rethinking. The USA should realise that.

In its turn the USA should *seek* new approaches.

A second summit meeting can take place at any time, Falin emphasised, providing it is not just a general discussion but serves to solve specific problems.

Washington, however, would not appear to be ready for such a meeting.

"If this situation doesn't change," said Falin, "*the prospects are poor this year.*"

President Reagan's remarks on the SALT II agreement make the situation even more difficult and run contrary to the agreement reached at the Geneva summit not to burden relations with new difficulties.

Back in the days when Falin was ambassador German-Soviet relations played an important part in East-West policies.

This has changed during recent years.

Falin remarked that the relationship between the two countries is still in itself important.

Both countries, he said, are almost neighbours and cannot ignore each other's interests.

Falin refuted claims that the Soviet Union wanted to "uncouple" the Federal Republic of Germany from the USA.

Any such efforts, he added, *would be* "absolutely unnecessary and futile".

Nevertheless, both sides should try and ensure forms of constructive cooperation which do not take place to the detriment of third countries.

Falin accused the local authorities of *having made mistakes and played down the* danger of the Chernobyl reactor accident.

The authorities misjudged the danger.

This was the main reason why many of the firemen first sent to fight the fire at Chernobyl have since died.

As in the case of the reactor accident in the American town of *Harrisburg* the catastrophe was triggered by a hydrogen explosion.

As in Harrisburg, the reasons for the explosion are not yet clear.

It is quite possible that a worker at the Chernobyl plant acted against instructions.

70 per cent of all reactor accidents are caused by human error.

Another theory is that there was some material defect.

Soviet leaders have decided, said Falin, that the two undamaged reactors in Chernobyl would again begin operations as soon as it is certain that there is no further danger to human lives, certainly not this year.

Falin stressed that "radioactivity is still high" and that the "affected zone has to be repeatedly deactivated."

"It has become clear that there are no adequate technologies for this task."

Falin openly admitted that the number of radiation victims is still considerable, *and that all medical means must be em*ployed internationally to help them.

Despite its substantial risks, even when using modern technologies, it is impossible to do without nuclear energy as a transitional solution for the lack of natural resources, Falin continued.

He reiterated the suggestion that all international efforts should be combined to *enable nuclear fusion by the end of the* century.

"Then," he said, "we would have an inexhaustible, safe and economical source of energy and the age of nuclear energy in its current form would come to an end." (Bonn Research Minister Riesenhuber expects this process to take about 50 years)

Falin supported a proposal by Chancellor Kohl to set up an *international* reactor safety committee.

This institution could strengthen the powers of the currently most important institution in this field, the Vienna-based International Atomic Energy Agency (IAEA).

Moscow would like to see the IAEA empowered to conduct on-the-spot checks *and supervise high-risk experiments.*

The planned committee must be able to elaborate strict regulations for all members, including stipulations on a comprehensive early-warning system for nuclear accidents and a permanent and regular flow of information to the IAEA.

These regulations, however, must be equally strict for both East and West.

As Falin rightly pointed out: "There is no such thing as a red and eastern atom or a non-red and western one."

Wolf J. Bell

(General-Anzeiger, Bonn, 31 May 1986)

■ FINANCE

Beneath the rhetoric, lessons to be learnt from US appeals over the economy

Hardly a ministerial meeting or round of negotiations between central banks goes by without the Americans urging the Europeans and the Japanese in ultimatum style to do more to stimulate their economies.

Obviously, not everything US treasury secretary, James Baker, or head of the central bank, Paul Volcker, says need be taken at its face value.

Domestic policy factors often lie behind the harshest-sounding exhortations.

American politicians would appear to have plenty of work on their hands stemming the tide of protectionist trade drafts.

Many seem bent on showing US farmers, car manufacturers and mechanical engineering companies just how vigorously they are fighting to establish better export markets and to ensure a dollar exchange rate which affords American companies at least some kind of protection from overseas competition.

Nevertheless, the Japanese and the Europeans — above all, the Germans — should face up to American demand for a more expansionary economic policy.

This is not just a political task.

It is not easy to discover exactly what it is the Americans want when sifting through the pile of daily declarations.

Sometimes they urge their trading partners to practice more self-restraint; *sometimes they call for a clear policy of interest rate reduction.*

On other occasions they recommend a courageous "course of domestic expansion".

As if to emphasise how seriously these intentions are there has also been the threat of artificially keeping down the dollar exchange rate for the benefit of American industry and farmers.

A plausible economic policy concept, however, does not result from the sum total of such admonitions and reprimands.

The Americans are understandably not keen on announcing economic policy concepts which are too specific.

This might offend the policymakers in the countries for which the "recommendations" are intended.

However, there is no point in confusing the countries in question by forwarding a whole host of proposals on how to boost the economy and reduce external economic surpluses vis-à-vis the USA.

The suggestions made by American politicians should have some discernible meaning.

This, however, is their weak point.

Many of the demands made and formulated are in fact self-contradictory.

The Americans, for example, would like to see a revaluation of the mark.

At the same time, however, German monetary and fiscal policymakers are urged to start boosting the economy.

It is extremely difficult to do both simultaneously.

An expansionary programme could be effected via monetary and budget policies.

However, this would certainly not result in an upvaluation of the mark.

The inflationary risks of a pump priming policy would immediately be recognised by capital and foreign exchange markets.



Although such a policy would stimulate demand in the short run it would not be able to remove the bottlenecks in the economy's production potential, i.e. the *real reasons for unemployment and flat* economic growth.

Even assuming the Bundesbank were able to reduce interest rates via some surprising monetary policy manoeuvre, this would tend to lead to a devaluation of the mark, thus having the opposite effect to that called for by the Americans.

During the first stage of adjustment by the markets to such a policy of reducing interest rates there would probably be a capital drain, for example, towards countries such as America with high interest rates.

This would put pressure on the mark's exchange rate.

In a second stage of adjustment the expansionary monetary policy would then trigger inflationary expectations, which would both increase the devaluation pressure on the D-mark as well as lead to an increase in the nominal interest rate level due to efforts by creditors to anticipate a devaluation of their outstanding debts by demanding higher interest rates.

The final result of this policy course, therefore, would be a renewed increase in the rate of inflation, higher nominal interest rates and an unchanged exchange rate structure in real terms.

This would not benefit American suppliers.

Attempts to stimulate the economy via a credit-financed spending programme would lead to the same result.

In this case too a brief adjustment period would be followed by higher nominal interest rates, rising prices and an exchange rate which apparently puts the United States at a "disadvantage" as long as it siphons off capital from other countries.

A policy which leads to higher nominal interest rates and rising prices would be detrimental to all parties.

All parties only stand to gain from a policy which results in a long-term expansion of the scope for growth via a greater supply of real (nonmonetary) capital and a greater business investment activity.

What is certainly not needed is a policy which is aimed at the short-term reduction of interest rates.

A policy is required which leads to a lasting improvement in the rate of return on real capital and to in GNP growth rates. The best approach is a courageous tax policy.

This is what the Americans should be calling upon the Germans to do.

Were the government to decide to reduce the tax burden on incomes and profits and cut back public spending, there would be more scope for the private and productive part of economic activity.

Supply conditions and employment opportunities could be improved via more investments at a high technological level.

This is the decisive difference to a policy which simply concentrates on the demand side.

Such an expansion, which would lead to higher growth rates in real terms for both supply and demand, would also benefit American suppliers on German markets.

A policy of "easy spending" would prevent effective tax reforms.

A fiscal policy which is unable to translate the leeway it has even in the case of modest GNP growth rates for tax reduction would become a sensitive area in the field of foreign trade policy.

This is the real lesson to be learnt from American exhortations.

Hans D. Barbier

(Frankfurter Allgemeine Zeitung für Deutschland, 10 June 1986)

Forget all about Confucius, just get out and sell

European business should forget about trying to fathom the mentality of competitors in Eastern countries and should instead concentrate on taking up the commercial challenges posed, *says the head of the West German Car*tels Office (monopolies commission), Professor Wolfgang Karrte.

He told a conference that "we cannot copy Confucius. Our gods are the egotisms of each inividual economic transactor."

The individual could only practice consensus within his own economic cell. In the market place he was subject to the forces of competition.

Professor Karrte was addressing the fourth international Young Science and Industry conference organised in Innsbruck by the Hanns Martin Schleyer Foundation.

The foundation was set up in 1977 in memory of Herr Schleyer, then head of both the German employers' organisation and BDI, the Federation of German Industry, who was killed by terrorists.

It aims to foster dialogue between young researchers and scientific experts and by doing so help the links between scientific research and teaching.

It has now become almost a tradition that the talks take place in Innsbruck, the capital of Austria's Tyrol province.

This year almost 400 professors, research assistants, doctoral candidates and representatives of industry from the Federal Republic of Germany, Austria and Switzerland attended.

The central question was whether the remark former US secretary of State John M. Hay (in office: 1898-1905) is reputed to have made that the Mediterranean is the sea of the past, the Atlantic the ocean of the present, and the Pacific the ocean of the future is in fact true.

Japan and China only really started opening up their countries after the middle of the 19th century.

What is more, Alfred Herrhausen, managing board spokesman of the Dresdner Bank, pointed out, California on the other side of the Pacific only began to be really colonised after this period.

In 1984 trans-Pacific trade exceeded trans-Atlantic trade for the first time ever.

In 1960 the Asian-Pacific countries only had an 11 per cent share of aggregate world GNP; by 1980 the corresponding figure had increased to 19.5 per cent, and the share is rising.

Even during the difficult 1980-1984 period this area expanded with growth rates averaging 5 per cent compared to only 1 per cent in the countries of the European Community.

The share of Pacific countries in world exports increased from 12 to 17 per cent between 1973 and 1984, whereas the corresponding European Community share fell from 37 to 30 per cent.

The term Pacific challenge cannot just be related to Japan.

The newly industrialising countries South Korea, Taiwan, Hong Kong and Singapore will soon be moving into markets with a similar thrust to Japan's.

So far these "four tigers" have concentrated on the USA, which accounts for up to 50 per cent (Taiwan) of their exports.

Even Japan is beginning to feel the tough competition of these four countries on major markets (steel, shipyards).

The average economic growth rates of these four countries during the sixties was between 8 and 10 per cent, and in the seventies between 7 and 10 per cent.

As Professor Tzongbiau Lin from the University of Hong Kong emphasised, Malaysia, Thailand, Indonesia and the Philippines are the new challengers in the group of countries from this area.

Together with factors which are frequently cited when seeking an explanation to the success of these countries — respect for enterpreneurial activities, discipline at work, a sense of loyalty, and the orientation of economic policies towards competition — the *Confucian* tradition in many of these countries must be regarded as a root of their success.

This tradition emphasises the virtues of devotion to family, obedience, thrift, diligence and education.

The role of government activities is overestimated.

The share of public funds in research and development spending in Japan, for example, is only 24 per cent, much lower than in the Federal Republic of Germany (41 per cent) or in the USA (48 per cent).

The Confucian ideas of harmony, reflected in the principle of consensus, run through the majority of business decisions.

Asked about "bottom-up worker participation", 20 per cent of West German workers surveyed and 42 per cent of Japanese workers claimed that they could exert a personal influence on the business decisions which affect them.

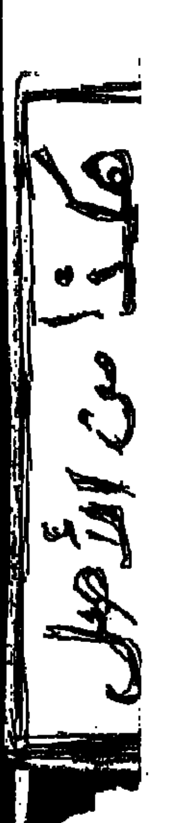
In response to the question whether the workers would "always do their best to the best of their ability regardless of how much they earn", only 6 per cent answered in the affirmative in the Federal Republic as opposed to 50 per cent in Japan.

Elisabeth Noelle-Neumann, head of the Allensbach opinion research institute, feels that this survey shows the differing value orientation with regard to the degree of commitment to one's job.

Professor Wolfgang Karrte, however, stressed that "we cannot copy Confucius. Our Gods are the egotisms of each individual economic transactor." He said.

In his own cell (family), Karrte said,

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■ MONEY

Euromarket flurry will mean better loan terms, not economic invigoration

Frankfurter Allgemeine

The rate of Euromarket lendings and borrowings is expanding rapidly. But this is unlikely to invigorate the world economy.

Most of the credit billions will be used to offset government deficits and to finance the debt rescheduling operations of big international firms rather than stimulate the economy.

The main aim of the latest spate of activity on the Euromarket is to replace the credits borrowed at unfavourable terms during the high-interest rate period by long-term loans with better interest rates.

Issuers are highly imaginative when it *comes to obtaining new funds.*

The market is full of "innovations" which only a professional can really understand.

What is more, every trick in the book is allowed on the European capital market.

Some debtors know how to borrow capital for a ten-year period at an interest rate of only one per cent by promising to turn their bonds into shares on more favourable terms at a later date.

This means that billions of marks are currently being offered via optional bonds which represent no more than a "blank bill for the future".

Via the two clearing systems for Eurobonds between 70 and 75 billion dollars worth of Eurobonds are currently being traded on the secondary market every week.

This overshadows by far the dealings of national bond markets.

During a recent meeting of the world's bond dealers in Singapore the total volume of the various types of Eurobonds at the end of 1985 was estimated at 430 billion dollars.

In the meantime the figure has probably exceeded 500 billion dollars.

This means that about one fifth of Euromarket dealings is in bond form.

The total volume of these dealings, i.e. including the deposits and loans of international banks and interbank loans, amounts to about 2,500 billion dollars.

At the beginning of the 1980s the amount was only a tenth of this figure.

According to estimates every second *dollar or other* currency equivalent lent on the Euro[illegible] (and thus tradable) by 1988.

The significance of Eurocredits, which currently weigh heavily on the balance sheets of the banks, would continue to decline.

It is worth taking a closer look at this structural shift.

Where does the money for the growing number of loans come from?

In the main the Eurobanks themselves or their affiliated trusts and finance companies have "moved in" to the long-term credit-lending business in a big way.

The changes on the market are a response to the difficulties experienced with regard to bank loans, of which today a great deal are "frozen".

Bonds, it is claimed, are more flexible and liquid.

The stipulation by national bank supervision authorities that banks should have a higher equity share for their credit transactions also explains the move away from credits.

Equity capital is expensive, whereas bonded issues do not encumber balance sheets in the same way.

Over 90 per cent of the new bond loans have been issued to "safe" subscribers in industrialised countries.

The placement of bonds, borrower's notes and the like presupposes widespread public confidence when selling.

A Soviet government bond, offered in Frankfurt in DM5,000 denominations, seems inconceivable.

Many investors are still angry about the older non-serviced Russian public bonds, which are no more than "antiquarian securities".

For this reason the Chinese are already conducting negotiations on the old bonds of former Chinese governments, which have been declared valueless by the People's Republic of China.

There are also speculations about an agreement with Britain on the Sterling China pre-war bonds.

The Chinese have realised that this is the only means of paving the way for a future placement of Chinese bonds on the international capital market.

In principle, the shift from roll-over credits (i.e. long-term credit commitments with short-term adjustments of credit terms) to Eurocredits in bond form is a positive development.

Admittedly, only on the basis that the new longer-term bonds are also financed by correspondingly longer-term bank deposits or savings.

Unfortunately, however, such congruent financing does not exist.

The spiralling tower of debt is built on a very shaky foundation of short-term refinancing.

The funds for buying bonds come from the short-term money market.

In particular, the Japanese borrow cheap short-term dollars on money-market terms — currently at about 7 per cent — and then use this money to buy dollar bonds with a return of between 9 and 9.5 per cent.

This extensive shift to bonds has only been possible because of the generous monetary policy pursued by the central banks, above all the US Federal Reserve.

Short-term interest rates have been pushed down almost month for month, and the interest rates for long-term bonds have almost automatically risen as a result.

In the wake of the somewhat moderate remarks on the further development of interest rates made after the last round of interest rate reduction talks in April and at the Tokyo economic summit there was a disturbing lull on the market almost overnight.

Suddenly, no-one wanted to do any buying.

Speculators experienced a further shock as the short-term dollar interest rates temporarily began to increase (as a result of a stronger dollar). During the second half of May, for example, big bundles of Eurodollar bonds could hardly be sold at the main transaction centre London.

In some cases, well-known financial houses did not issue buying and selling prices.

In view of the fact that over 80 per cent of the Eurobonds are freely transacted in the banking trade, this was bad news.

All parties affected suddenly realised that by their very nature (exterritoriality) Eurobonds are less liquid than domestic bonds, although the latter have a somewhat lower return.

The "Whitsun crisis" has now passed, and markets have regained liquidity.

Eurobond dealings have again moved to their new and higher levels of return.

However, the shock of recent weeks cannot be simply dismissed.

It has shown the limits and dangers of the structural change on the international credit market.

Heinz Brestel

(Frankfurter Allgemeine Zeitung für Deutschland, 2 June 1986)

Morgan Guaranty move shows where big banks are looking

Morgan Guaranty, one of the big banks in New York, is ready to hand back its banking licence and turn its attention to the increasingly important business of investment banking.

This threatening gesture, which reveals the only slowly disappearing legal distinction between the classic banking business and transactions in securities, is indicative of an international trend.

The world's large banks are setting new priorities in their business dealings.

Most of them are stepping up their activities in the field of shares, bonds and the like in acknowledgement of the waning significance of the traditional credit business with commercial customers.

So-called chain transactions are particularly lucrative.

The bank, for example, starts by providing advice on a company takeover, then devising a corresponding financing plan and, finally, actually financing the idea via classic credit facilities.

A reduced-interest financing package is then pieced together from the repertoire of stocks and shares issues, bond placements, commercial paper issues, interest rate swaps or option dealings.

The more the banks can move away from the dwindling profit margins of the classic lending business and concentrate on business on a commission basis, the better the income statement at the end of the year.

The banks' new motto is syndication, i.e. the passing on of a part of a loan to other interested banks rather than corporate loans for which one bank accepts full responsiblity.

The traditional form of business with customers, which is very dependent on *interest rates, now only serves as a way* of getting into the lucrative advisory and placement business of investment banking.

A survey of big industrial firms in the USA revealed that a striking majority make regular use of the bank service to help them move into the commercial paper market or when preparing a takeover bid.

The advisory services of banks are becoming more and more important, something which is new on the American market.

Companies demand first-class consulting services from internationally respected investment bankers.

It goes without saying that the remuneration is equally first-class.

In the Federal Republic of Germany, however, the German universal banks, which sense the opportunities of investment banking and would like to improve their finance structures, have still got a lot to do to create a market for banking consultancy as an independent banking service product.

Especially the German banks' middle-class clientele still prefer to honour good advice by their banks by increasing their bank deposits, e.g. by opening up higher fixed-term deposit accounts.

Only a certain number of big international banks will be able to shift the emphasis of their business dealings from credit financing to the financing consultancy of investment banking, from the interest-earning business to commission-based services.

In order to make investment banking a lucrative move considerable potential is required, in particular: expensive, highly qualified and specially trained personnel, a good reputation on bond markets, substantial experience in dealings with international securities, international contacts, an adequate customer

Continued on page 8

Continued from page 6

the individual can practice consensus, but on the market he is subject to the forces of competition.

The correct response to Far Eastern competitors is to take up the challenge.

Developments in the textile industry show that this is possible.

It has developed from a labour-intensive to a capital- and technology-intensive industry with a high degree of automation and exemplary innovational potential.

This, said Alfred Herrhausen, has by and large reduced the labour cost advantages of the newly industrialising and developing countries.

"I do not believe that we are on the verge of a Pacific era (Arnold Toynbee)," said the head of the board of directors of the Prognos AG, Peter Rogge.

He referred inter alia to the substantial European lead in most service areas: banks, insurances, engineering and software.

Europe's greatest opportunity lies in the most expensive and rare resource: the human intellect.

Europe should be emphasising products for which the intelligence factor is more important that material aspects.

Many people at the conference felt that Western European democracies had woken up to the Pacific challenge.

Europe can no longer be accused of "sclerotic ossification".

The Europeans are now getting a better press in the USA and Japan.

Newsweek talks of a new "Euro-optimism", and Peter Drucker advised Americans in the *Wall Street Journal* that there is a great deal they can learn from the Germans.

Volker Wörl

(Süddeutsche Zeitung, Munich, 26 May 1986)

■ BUSINESS

Government sells off part-shareholding in energy-to-chemicals conglomerate

Forty per cent of the shares of Viag, a partly government-owned conglomerate, have been heavily oversubscribed on the stock exchange.

Each 50-mark share was sold for 165 marks, bringing in more than 700 million marks for the government.

Viag, which comprises more than 100 companies involved in energy, aluminium and chemicals, was 87 per cent government owned. The 40 per cent sale was part of Bonn's privatisation policy.

At one stage, it seemed as if the price would exceed 165 marks. But the price at which it is traded on the market will be the proof of the pudding.

Finance Minister Gerhard Stoltenberg sees the Viag capitalisation as the most significant privatisation move this year.

It may well be the only one, although Herr Stoltenberg recalled privatisation moves by earlier Federal governments, such as the sale of Preussag shares in 1959, of Volkswagen shares in 1961 and of Veba shares in 1965 and 1984.

He conveys the impression that the Federal government plans to follow up the *Volksaktie* euphoria of bygone decades when privatisation was hailed as the advent of stock market shares for the common man.

In reality there are delays on the supply side — through no lack of good intentions on Bonn's part.

The Federal government has nailed its colours to the mast after privatisation had been a non-issue for years, presenting a programme of hiving off state-owned industrial interests that deserves to be implemented swiftly and steadily.

But initial momentum has been perceptibly lost. Resistance by firms earmarked for privatisation was stronger than expected. So were economic and fiscal difficulties and political reservations.

Partial flotation of Lufthansa was, for instance, to have been the flagship of privatisation.

The national airline as a strong, well-

Kölner Stadt-Anzeiger

known and attractive company for the common man to buy shares in would have given the privatisation campaign the glamour Volkswagen shares lent past moves of this kind.

The interim report by the Federal government notes only that talks continue, mainly meaning talks between Finance Minister Stoltenberg and Economic Affairs Minister Bangemann and Bavarian Premier Strauss.

Herr Strauss takes a dim view of any substantial sale of the 75 per cent of Lufthansa shares held by the Federal government.

He clearly still has the misgivings he expressed last August in a letter to Chancellor Kohl and remains opposed to an interim arrangement.

Even assuming his misgivings were dispelled there would still no longer be any chance of Lufthansa privatisation moves going ahead this year, especially with a general election due next January.

That makes the partial privatisation of Viag all the more important. Viag has a payroll of roughly 21,000, turnover of DM7bn-plus and is a major company active in energy, aluminium and chemicals.

A Deutsche Bank-led consortium sold the shares, much to the chagrin of state banks and savings banks, which would have loved to play a more prominent role.

Little more can be expected this year other than partial privatisation of IVG, a Bonn-based industrial holding company wholly owned by the Federal government.

IVG buys and manages property and industrial holdings, runs Nato oil pipelines in the Federal Republic, is in charge of the country's statutory crude oil reserves and has a number of ordnance commitments.

IVG is to be converted into an *Aktiengesellschaft*, or public limited company. Its capital is to be increased from DM54m to DM110m, of which 45 per cent will be offered for sale.

Shares are to be sold in September, always assuming agreement is reached with Bavaria on a Munich subsidiary in which Herr Strauss's *Land* holds a stake.

Tiresome and to some extent exaggerated details such as these are what brings the privatisation campaign to a standstill, although current economic trends are to blame in at least one case.

It is Prakla-Seismos, a prospecting company with a basic capital of DM60m. Forty-seven per cent was due to be sold to private shareholders this year but privatisation has been shelved indefinitely.

In its case the operation was mothballed because the low oil price has nipped oil companies' activities in the bud and dealt a blow to Prakla-Seismos profits.

Blue chips in the government's privatisation package are unquestionably two state-owned banks, the Deutsche Pfandbriefanstalt (Depfa) and the Deutsche Siedlungs- und Landesrentenbank (DSL-Bank).

But in both cases there are serious legal and fiscal problems to be solved before shares can be sold to the general public.

Depfa is a mortgage bank and can only be privatised after appropriate legislation. The DSL-Bank is to retain its public sector status but private shareholders are to be sold part of the government's stake.

Company lawyers are wondering how best to solve the legal conundrums these operations will entail.

The Federal government is banking on further progress after the general election, but privatisation will not be really attractive for the private investor until Lufthansa shares come on to the market.

Its attraction will be further enhanced when Lufthansa shares are joined by those of the two state-owned banks, several Bundesbahn subsidiaries and another tranche of Volkswagen shares.

Heinz Murmann

(Kölner Stadt-Anzeiger, Cologne, 7 June 1986)

Morgan Guaranty

Continued from page 7

potential, an efficient EDP organisation, and, last but by no means least, an efficient management information system.

The Dresdner Bank, for example, which has gathered experience on both the classic and securities side of banking on the American market for 20 years, is hoping to make use of its advantages as an internationally operating universal bank to move into investment banking.

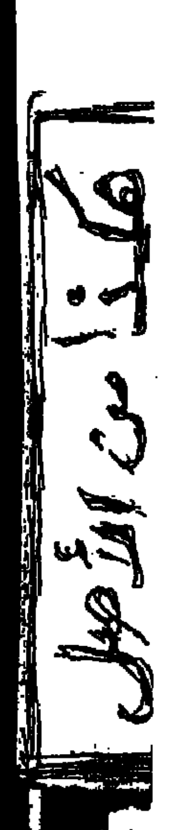
The Frankfurt-based bank will be combining its commercial banking and securities activities in the USA under the heading of investment banking.

It hopes that a new "flat" management structure will enable speedy on-the-spot decision-making in this field.

The planned Centre for Securities in Tokyo will help emphasise the international character of investment banking.

Gabriele Reckinger

(Handelsblatt, Düsseldorf, 4 June 1986)



Sports equipment maker Puma is to go public

Sportswear manufacturer Puma, which has an annual turnover of two billion marks, is going public.

Puma is headed by Armin Dassler. His brother, Horst, is founder and chief executive of Adidas.

For some time, Deutsche Bank, which is arranging the flotation, has been trying to get both firms to go public. Adidas, with a turnover of four billion marks a year, showed little interest.

Horst said in September 1984, "you only go public to raise cash or to cash in."

Puma's Armin showed more interest. Now Puma has been converted into an *Aktiengesellschaft*, or public limited company. It is now Puma AG and not, as jokers were bound to suggest, Boris Becker AG.

(Teenage tennis star Boris is, of course, under contract to Puma.)

The paid-up capital of the new company totals DM36m. Armin Dassler will continue to hold 70 and his brother Gerd 30 per cent.

But Puma plan to sell on the stock market DM14m worth of non-voting preferential shares. They are to be sold in Munich and Frankfurt once formalities are completed toward the end of July.

There can be no doubt they will be oversubscribed on the day of issue. There has been nothing but vague speculation so far about the offer price but shares are sure to sell well, even if it is only because of the Boris Becker tennis racket.

If Horst Dassler of Adidas is right, then No. 2 Armin Dassler of Puma either needs cash or plans to cash in on his company's assets and standing.

Armin Dassler, 56, says it is a virtual anachronism for a firm of Puma's size to be owned by an individual, himself, as sole owner with full liability.

Puma's turnover is DM2bn and increasing fast. The company has a payroll of 15,000 and customers in roughly 100 countries. There is something to be said for its owner's line of argument.

Deutsche Bank's stock market specialists, always on the lookout for likely candidates for flotation, have been urging Adidas and Puma to go public for some time.

Adidas' Horst Dassler is clearly not interested. Puma's Armin Dassler showed more interest.

He and his brother Gerd decided to go ahead and float the company, partly for health reasons: After a heart attack Armin felt he ought to think in terms of retiring.

Besides, sharing responsibility more widely makes sense in a firm of Puma's size, it is argued.

Armin Dassler set up a six-man board nearly two years ago but the official move seems to have been necessary to pave the way for succession.

Sales director Günter Brendle is rumoured to be the man most likely to succeed. He already briefs Armin Dassler when the boss has to miss weekly board meetings, which seems to have happened more often of late.

Armin Dassler and his fellow-directors will certainly have to reconsider company policy once they go public. Puma has always sought to divulge as little information as possible about its activities.

For years Puma avoided company publicity requirements. Dassler much preferred to tell everyone who sported Puma's single stripe emblem.

Since Boris Becker has been under contract everyone who has watched tennis on TV can be assumed to be conversant with the Puma logo.

Armin Dassler and his staff would sooner see Boris sport Puma sportswear as well as single-stripe shoes and a racket with the puma emblem.

Textiles make up roughly 30 per cent of Puma's turnover, but Boris's body is under contract to Ellesse of Italy until the end of the year.

When the clothing contract expires Becker's manager, Ion Tiriac, will be negotiating with other firms, some with more money spend than Puma.

Horst Dassler of Adidas will certainly be in the running. He and Armin have been on bad terms for years and although the contract is likely to cost a seven-figure sum, Adidas can afford it.

It would be wrong to imagine that Puma are going public to raise cash to make sure they can retain the services of Boris Becker, although the tennis star has meant good business.

Last year 25 per cent more tennis shoes were sold. This year about half a million Boris Becker Wimbledon tennis shoes are expected to be sold.

Puma would doubtless relish the prospect of similar growth rates in sales of Boris Becker shirts or shorts.

But Armin Dassler is not determined to retain Boris's services at any cost, at least not officially.

Sales director Brendle outlines the advantages of going public in terms stock market people themselves would choose:

"It raises ready cash that costs nothing other than dividends and it makes the firm's name better-known," he says.

Klaus Dieter Oehler

(Stuttgarter Zeitung, 7 June 1986)

■ SPACE

Launching deadlines cancelled as probe looks into aborted Ariane mission

Four minutes and thirty-six seconds after take-off the two technicians at the control panel in Kourou, French Guiana, pushed the self-destruct button and aborted the Ariane V 18 mission.

The European launcher rocket was detonated by remote control after the failure of the third stage to rule out any risk of the debris landing on inhabited territory.

It was the fourth failure of an Ariane rocket and will delay the European space programme for an unforeseeable length of time.

Yet in all probability Arianespace will recover from the setback faster than Nasa, which has grounded all rockets and space shuttles for the time being.

After the Challenger catastrophe at the end of January and two failed launchings of conventional US rockets *Europe's Ariane* looked increasingly attractive.

Two Japanese telecom corporations booked their first payloads on board Ariane. The British Defence Ministry transferred its Skynet launching from the US space shuttle to Ariane too.

After the Challenger catastrophe Arianespace laid on eight extra launchings between now and the year after next. All are fully booked.

Some are even double-booked, so if one payload is cancelled its place can immediately be taken by another.

Frankfurter Rundschau

Arianespace orders in hand increased to launchings of 32 satellites worth over DM3bn.

This year alone the European consortium's turnover was due to double to over DM900m.

There were to be seven take-offs in 1986 of which the one aborted early this month was the third.

- On 12 August Australia's Aussat and the European telecom satellite ECS-4 were to be launched, the European satellite being a replacement for one destroyed when a previous Ariane launching failed.
- In October TV Sat, the first directly transmitting German television satellite, was due to be put into orbit.
- On 5 November the first test launching of the new, more powerful Ariane 4 was scheduled.
- In December an American and a French telecom satellite were to be put into geostationary orbit.

These deadlines have now been cancelled. Arianespace chief executive Frédéric d'Allest immediately cancelled all further launchings until the cause of the latest failure was identified.

A commission of enquiry is due to submit its findings by the end of June, always assuming there are no further hitches.

If the next mission were to go ahead on 12 August as planned, preparations would have to be getting under way by the end of the month, but that is out of the question.

Defective components are likely to be replaced or may even have to be redesigned, which could take weeks or even months.

The latest failure is Ariane's fourth. The first was the second test flight in May 1980.

A first-stage propulsion unit failed and the first-stage combustion chamber had to be redesigned, delaying further progress by six months.

A turbo pump in the third stage caused the second failure in September 1982. The turbine blades were not up to the strain to which they were subjected.

The third failure happened in September 1985 after three years in which nine launchings had gone ahead almost without a hitch.

This time the trouble spot was a defective main hydrogen valve in the third-stage propulsion unit. The requisite thrust could not be laid on as a result.

This time there was a four-month delay. It turned out that this failure had not occurred without forewarning; it had seemed a distinct possibility in earlier launchings.

But readings had not been analysed systematically enough, so flight engineers had failed to take the hint, as it were.

The latest failure was also due to a defect in the third stage, which technologically is the most valuable and advanced part of the entire projectile.

The fuels, liquid hydrogen and liquid oxygen, are fired automatically in the combustion chamber the moment they come into contact.

Propulsion units of this kind have been used in the United States for 20 years, in the space shuttle for instance. In Europe Ariane is the first launcher rocket to use cryogenic propulsion.

The latest failure is undeniably a setback for Arianespace but the European consortium is still a world leader, with the US space shuttle grounded for at least a year.

As only three space shuttles still exist, Nasa is unlikely to be able to launch all payloads booked and planned.

There are even plans to shelve all commercial space shuttle missions for an interim period and use the launcher for military missions only.

Commercial telecom satellites would then have to be launched by conventional rockets, but the United States has none available at present.

Production of Ariane in contrast is going ahead flat out. In addition to existing versions the more powerful Ariane 4 is scheduled to be available before long.

Wolfgang Brauer

(Frankfurter Rundschau, 7 June 1986)

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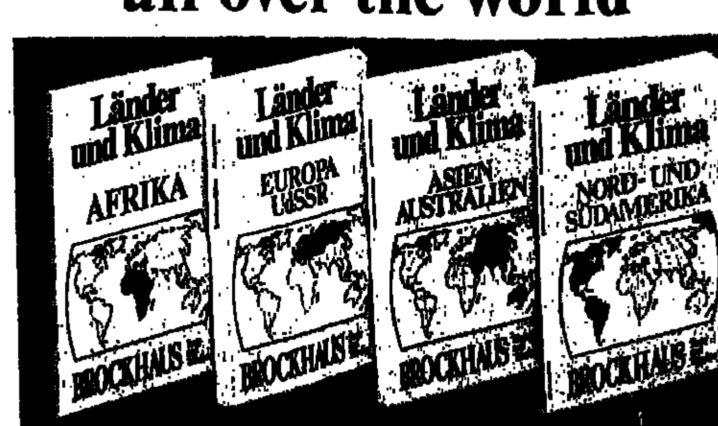
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■ THE THEATRE

76 plays bring touch of international sophistication to children's festival

A theatre festival for the young held by Munich's Theater der Jugend featured 23 groups and 76 plays staged at six locations.

The second international festival of children's and youth theatre was a success, like last year's festival, in terms of quality as well as quantity.

High-grade theatre aimed mainly at younger audiences was presented, especially by companies from abroad, setting standards that were an advance in form and content on 1970s children's and youth theatre.

While in Germany the aesthetics of neo-realism have more or less marked time in recent years, Dutch and Swedish companies for instance have progressed from a similar development to a new theatrical quality in their emancipatory approach.

Länsteatern Västmanland from Västeras, Sweden, presented an impressive *Tale of a Tree*. Accomplished acting told a simple tale by means of a parable.

It was one of abuse of power by man, specifically two men who plan to fell an old mountain ash merely because they suspect there might be treasure hidden beneath it.

The three actors show with great verve how nature is unrestrainedly exploited, but the message goes deeper; it is not just a superficial ecological criticism of human activity.

The subject matter is dealt with adequately, using subtle imagery and a sensitive approach.

The Flying Cheetah, based on a children's story by Siv Widerberg and performed by Kalmar municipal theatre, Sweden, tells a realistic tale without neglecting specific opportunities of theatrical expression.

Against an expressionist stage setting the audience are shown the diary of little Hasse, whose parents are constantly arguing and eventually leave their son, who ends up in a children's home.

There he dreams of being the fastest animal in the world, the flying cheetah. Hasse is portrayed by a wooden doll that is led round the stage by the other actors, while his parents have gigantic, swollen heads.

The plot is psychologically thought out and functionally performed. Shapes and colours are chosen with children in mind, making the play that much more exact.

The Wederzijds company from Amsterdam were seen to be heading in much the same direction. Their *Meeting with the Bride* presents extremist imagery for an emotionally open-minded audience.

As for the didactic purpose, discussion of the symbolism is superfluous. Inferences can of course be drawn, but the scene in which six actors in underclothes and high-heeled shoes walk around with shopping bags over their heads seems to have been devised to defy decoding.

The overall structure alone testifies to a narrative pattern and to criticism of specific roles.

The tale is told by means of cubist costumes and figures such as Oskar Schlemmer designed in the early 1920s and which are here reanimated.

King-size picture frames indicate borrowings from the fine arts, but the Dutch company also seem to have



learnt from choreographers Robert Wilson and Pina Bausch.

Ballet, with powerful imagery on stage prompting powerful responses from the audience, was in this experimental manner a new departure in children's theatre and was definitely a highlight of the Munich festival.

The Théâtre Jeune Public from Strasbourg relied on more specific aesthetics in its poetic fairy tale *Ogrrre, the Man-Eater*.

The sound effects are realistic but the images that tell the tale, fascinating by virtue of their use of light and an imaginative stage setting, are reminiscent of a folder of illustrations.

The man-eater is more a child-lover than an ogre. He has a powerful imagination and uses it to keep well clear of his hunters.

They in turn include Charles Perrault, the Brothers Grimm and could well include Charles Bettelheim, all of whom arrived at definitions of the fairy tale that stood in the way of its further development.

In addition to these attempts to experiment with new ideas that combined both topicality and sensuality the Munich festival featured a striking Portuguese attempt to interpret historical subject matter.

The Teatro O Bando from Lisbon presented *Afonso Henriques*, the tale of the first king of Portugal and founder of the Portuguese nation-state.

The treatment calls to mind the methods of historical interpretation used by Yaak Karsunke, whose *Peasants' Opera* delighted children and adults alike at the short-lived Frankfurt children's theatre, the Theater am Turm.

The fabled Afonso Henriques is shown to have feet of clay, his much-vaunted deeds are called into question in view of the countless lives they cost. In epic breadth, subdivided into smaller units and directed with humour and an original approach, the tale is told from a wide variety of angles.

Many plays performed in Munich made perfect sense to young audiences even though they were in a foreign language, but the Portuguese company took a special precaution.

They hired Swiss actor Ueli Jäggi to narrate the story as it went along, posing as a failed mercenary who winked to the audience as he explained what was happening.

He can fairly be considered to have been the most outstanding actor at the festival, starring with Beat Fäh in *Ussflug*, a play midway between *Waiting for Godot* and Waechter's *Klebich and Dutz*.

He was brilliant in *Ussflug*, a virtuoso comedian, and played several other parts as a member of the Munich Theater der Jugend company.

His only rivals in the sheer pleasure of acting he so clearly personified were two GDR actors from the Theater der Freundschaft who played in *Timmi*, a play for children from Bulgaria.

Otherwise German participants could only learn from the festival fare. Both *Timmi* from East Berlin and *Jule, was ist los?* from the Grips-Theater in West Berlin were still painfully educational in intent.

This was clear even in the importance attached to music, which served solely to underscore the educational message and failed to stand up in its own right.

But German children's and youth theatre seems to be taking new ideas seriously, especially the Munich host.

The Theater der Jugend presented a wide range of productions extending from *Clinch*, a musical, via a tale without words but accompanied by a classical music quartet, *Die Geschichte vom Onkelchen*, to the play *Geheime Freunde*, a stage version of Meron Levoy's book *The Yellow Bird*.

Geheime Freunde particularly made the point that children's and youth theatre does not need to rely mainly on action.

Tension is maintained by the story itself, which is the tale of Naomi, a New York girl whose father was persecuted and murdered by the Nazis in France.

The boy next door, Alan, is supposed to look after her and help her to overcome the shock. They communicate via two dolls and a tender friendship develops.

The audience learn a great deal about the fragile psyche of Alan, who feels oppressed by his Jewish parents, and of Naomi, who is weighed down by a past with which she has yet to come to terms.

Sad to say, director Hansjörg Betschart and dramatist Rudolf Herfurtner failed to concentrate on this essential part of the story.

Yiddish songs and Nazi persecution in the background often seem extraneous and merely superimposed.

What the Munich company disregarded the Heidelberg children's and youth theatre dealt with at inordinate length, at least in the second part of *Prinzessin Apfelbutzen und Prinz Steifhals*, based on a story from the Teatro del Sole in Milan.

It is a fairy tale with a king, a magician and a fairy godmother and takes a psychoanalytical view of problems of puberty, a view often so recondite that only the expert can see what is meant.

Much of the audience saw the play as just a furious spectacular, with scarves and bamboo poles, humorously staged as a sight for sore eyes.

It was the last play directed by Christian Sorge, who died in a car crash and to whom the festival was dedicated (although this point was barely mentioned in an otherwise most informative catalogue).

The Munich festival played to full houses for 10 days and presented both a variety of theatrical experience and an opportunity for theatre people to compare notes.

So it more than achieved its objective. German children's and youth theatre can now try out what it has learnt and foreign companies can take a critical look at their own styles and continue to develop them.

There no longer seems to be a demand for the festival to be geared to a specific theme. The aim appears to be to experiment with storytelling on stage. The Munich festival fully lived up to expectations.

Wolfgang Schneider

(Frankfurter Rundschau, 31 May 1986)

Aim of school drama 'is to have fun'

At the turn of the 16th century the aim of drama lessons at grammar schools was to give pupils the self-confidence and elegance they would require later on in their professions.

Today, on the other hand, "where everyday life at school is marked by pressure to do well", play-acting in schools provides an opportunity for pupils to "have fun".

This, at any rate is how Ulla Gilbert, drama teacher at the Essen theatre, sees the main aim of today's drama lessons at school.

Before this can actually happen, however, drama lessons and stage productions must bear in mind the interests of the pupils and not try to dampen their imagination and spontaneity via over-ambitious teaching goals.

For this reason the Children's and Youth Theatre in Essen offers its professional advice to schools.

Following many years of voluntary theatre work in the theatre groups of the various schools practical drama is now being officially taught under the auspices of the teachers.

Pupils who have not opted for art or music have a whole year of the literature course to "play theatre". According to the curriculum, one "product" has to be completed per year, and this is generally a play.

Although marks are officially given for involvement and social responsibility, good marks are in reality given for regular attendance", teacher Ellen Neuhalfen explains.

And this is OK, she adds.

For many pupils the choice of this course is their first encounter with theatre and the world of acting.

Pupil Ulrich Kleinen, who would now like to go to the theatre more regularly, sums up the feelings of many of his fellow pupils:

"For me theatre was always something for the informed conoscenti."

Most of the young would-be actors and actresses support the new idea.

"Acting on stage provides an experience you don't get during everyday life at school," says Achim Wergin, who attends the literature course of class 12 at the Mannesmann grammar school in Duisburg.

At the moment he's playing the husband in Dürrenmatt's *Der Besuch der alten Dame* (The Visit).

His rather dopey style during rehearsals certainly went down well with his classmates.

Whereas Achim — a real class joker — deliberately turns his character into a humorous one, his fellow actors complain about the problem of unintentional comedy.

"For the others we're always classmates, and if there's a tricky scene or if someone really suffers everyone starts laughing," says Sandra Pfeifer, who plays the old lady Claire Zachanassian.

The hard-working amateurs choose a variety of plays, ranging from Goethe to Beckett to their own productions.

Sometimes they update the language used, and in other cases they leave the language of classic authors "unabridged" to retain the beauty of the

Continued on page 11

■ OPERA

Foreign singers preferred — is there a fault in the German training system?

Thousands of young Germans train as singers with private tutors or at schools and colleges of music.

At the Cologne College of Music alone 116 students are studying singing.

Yet German opera prefers foreign singers. Only about half the singers employed by the 54 West German opera companies come from Germany. Forty seven per cent of the solo singers are foreign.

A survey by the German Dramatics Society in the 1980/81 season found that 505 of the 1,069 solo singers were foreign.

Insiders think the ratio today is roughly the same.

Friedrich Paasch, the head of an employment agency for singers, has noticed a constant fluctuation but is still convinced that the proportion of foreign opera singers is "enormous".

He cites the case of the municipal theatre in Aachen, where there are eight foreign female actresses to every German female actress.

The "Central Stage, Television and Film Employment Agency" (ZBF), the public equivalent to the private employment agencies, had more foreigners registered on its files during the 1984/85 season than Germans.

Helmut Ibler, director of the music theatre department at the ZBF, claimed that 54 per cent of all job applicants at that time were foreigners.



German opera house directors think highly of foreign artists.

Almost 90 per cent of these directors are convinced that young foreign singers are "generally better" than young German singers.

Above all, they feel, they are better qualified.

About 62 per cent of the directors stated that, given the choice between a foreign and a German candidate for the job, they would "frequently" opt for the foreign one.

This stance is reflected in the fact that of the 89 "beginners" chosen for theatre engagements in 1980 only 35 per cent had a German passport.

This is an alarmingly low figure.

Nevertheless, the standard of training at German colleges of music does stand up to the first test.

Those who take singing courses at college study between eight and ten semesters, i.e. four to five years, before taking their final examinations.

A concert examination can then be taken after a further two to three semesters.

However, the bad news is that German singing students only have one hour singing lessons a week. During the semester vacations, which last about four to five months a year, there are no official lessons.

This means that there is a month-long lack of the control and supervision so important for those training to become singers.

Despite these reasonable initial training conditions foreigners, above all Americans, outstrip German applicants looking for a job in German opera houses.

Many opera house directors are "initially interested in Germans", and a large number of employment agenices for singers also prefer German applicants.

After all, they are familiar with their native language as well as the Central European culture.

However, in the final analysis the decisive factor is how well the candidate can sing.

But why are Germans no match for foreigners on this score?

Angelus Seipt, the dramatic adviser at the Cologne opera house, is convinced that the qualification system is not to blame.

Admittedly, the colleges of music should train singers "in keeping with operatic requirements".

Seipt, however, does not feel that the current training system is fundamentally wrong.

~~Finally, Seipt points out that Ger~~many is the country with the "greatest number of opera theatres in the world" (in terms of its population figure).

In view of this "considerable demand", says Seipt, German potential is not good enough.

Many of the trained German singers are employed in the "concert business", Seipt adds.

Professors and lecturers at the German colleges of music view the situation very critically.

Some of them cast an envious glance towards America, which would also appear to be a land of unlimited opportunities in the field of opera singer training.

Is the teaching staff there better?

Wilfried Jochims, singing tutor and deputy director of the Cologne College of Music, explains that a member of staff is only then employed if he is reasonably well-known, has concert experience or recordings.

What is more, a public demonstration lesson and a colloquium help reduce any "risks".

Professor Jochims warned against private tutors, who in some cases train their pupils inadequately and charge them too much for their services.

Jochims feels that the real reason for the better quality of American singers is not the better qualification of teachers but must be sought elsewhere.

The singers who come from the United States have already finished their final examination and have often started studying something else.

Jochims complains that German singing students "don't have the same initial opportunities".

During his many visits to the USA Jochims has noticed that the new generation of singers are trained much more intensively (two teaching lessons per week) and more practically oriented (a greater number of college performances).

In addition, the early application of the "Solfége technique" pays off more in the long run.

This technique combines three training objectives in one go: voice training, aural training and pronunciation training.

In Eastern European countries, especially in Hungary (Zoltan Kodaly), the Solfége technique is used for the musical education of children at an early age.

Wilfried Jochims would like to see a similar approach at most of the 700 schools of music in the Federal Republic.

Too little attention is paid to voice training at an early stage.

Jochims regards the continued use of the unsuitable recorder as an instrument for early training in this respect as "satanic".

Jochims can at least claim to have improved training conditions at the College of Music in Cologne.

Students wishing to become soloists (i.e. solo singers too) now receive one-and-a-half instead of one hour's teaching a week.

However, since the professors do not want to teach more than they have done so far this measure means the instrumental and singing lessons have to be thinned out.

This automatically raises the standard of training, since only the best students will be allowed to take part in these lessons.

This is a major step in the right direction.

Gero Schliess

(Kölner Stadt-Anzeiger, Cologne, 29 May 1986)

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Continued from page 10

original version. The ambitious "artists" do not shy away from difficulties and their plays generally go down well with the audience.

Their efforts culminate in premieres in front of parents and other school children at school festivals and theatre meetings.

For the actors themselves these are "big" moments, just like in the real theatre world.

Before this stage is reached, however, a great deal of effort, concentration and creativity is needed; not to mention the spare time which has to be sacrificed.

Most pupils don't mind investing more time than stipulated by the school timetable.

"What other opportunity do we have at school to see what we have achieved throughout the year and to show that we're not just a bunch of loners, but able to work in a team?," asks Jochen Kluth, the "husband" in a performance of Brecht's *Kleinbürgerhochzeit* (Petty Bourgeois Wedding).

But it's not just this completely different feeling of success which motivates the amateur actors shortly before their summer break.

The unusually personal contact between teacher and pupils is also a special experience.

"I've never got to know people better than during play-acting.

"It is here that pupils show more of their personality, and very often friendships are established which outlast school days," says Ronald Knierim, a teacher at the Schiller grammar school in Bochum.

And when school's finished?

"I'll probably go to the theatre more often," says pupil Jochen Kluth, "but I don't want to work on stage professionally, since this wouldn't be just fun anymore."

Myriam Zube

(Westdeutsche Allgemeine, Essen, 3 June 1986)

■ NUCLEAR ENERGY

Senior industrialist advises caution in going ahead with disputed plants

A senior industrialist has warned that caution should be observed in building and commissioning two of Germany's more controversial nuclear plants.

Rudolf von Bennigsen-Foerder is the chief executive of Veba, a large conglomerate. He told journalists in Düsseldorf that care should be exercised on both the Kalkar fast breeder reactor and the Wackersdorf nuclear fuel reprocessing plant.

Wackersdorf, in Bavaria, has been the scene of some violent demonstrations and Kalkar, on the Rhine north of Düsseldorf, has taken 13 years to build — 13 years marked by constant public dispute over whether it made economic sense and how dangerous it might be.

Bennigsen-Foerder is not known as a man with doubts about nuclear power. One of his companies is Preussenelektra in Hanover, the second-largest power producer in the country and itself a producer of nuclear power.

His attitude was in sharp contrast to the confidence of Rheinisch-Westfälisches Elektrizitätswerk (RWE) in Essen, by far the largest power producer in the country.

It owns 68 per cent of the Kalkar reactor, a project which is heavily subsidised by the taxpayer.

Behind the scenes RWE and the power station contractors KWU, a Siemens subsidiary, have been lobbying strongly for the reactor to be taken into service as soon as possible.

RWE leaked the information that the DM7bn project would not only cost a small fortune to demolish; it would also lead to damages claims.

They will mainly arise, according to *Handelsblatt*, the Düsseldorf financial daily, because Dutch and Belgian shareholders have invested over DM1bn in the project.

Yet it has already been as good as decided that the nuclear reactor monument on the Lower Rhine with its 300 megawatts of installed power will not be followed by another reactor along the same lines in this century.

It seems more than likely to remain the only reactor of its kind in Europe.

If German power utilities were, contrary to expectations, to embark on concerted action in the near future and agree to develop breeder technology, they would almost certainly aim at a European venture.

The project would be based not on Kalkar but on its distant relative Superphénix, which recently started to feed nuclear power into the French national grid.

Experts have long been agreed on the "hell fire" of Kalkar, to quote Friedhelm Farthmann, SPD leader in the North Rhine-Westphalian state assembly and a former breeder fan.

The Kalkar fast breeder is not, they say, going to lay the golden eggs envisaged in the 1960s and 1970s.

Those were the days of energy euphoria when the breeder buffs said the new technique would solve all manner of energy problems.

Advanced breeder reactors would be noiseless, emit neither dust nor sulphur and generate energy at bargain basement prices.

Unlike high-temperature reactors breeders were originally planned to generate both power and fuel of their own by converting non-fissile uranium 238 into fissile and, sad to say, extremely dangerous and highly toxic plutonium 239.

By harnessing fast electrons the breeder would, it was said, produce surplus reactor fuel. So natural uranium could be put to better use.

The SNR 300, to give Kalkar its original code name, was to demonstrate on a large scale that the technique was feasible.

Even RWE no longer claims breeder reactors will generate power at bargain basement prices, but last August the *management said Kalkar still had to go* ahead.

"Contrary to repeated claims the aim of the SNR 300 was never to generate inexpensive electric power," RWE said. "A prototype is not suited for this purpose.

"The aim of developing fast breeders was and still is to ensure long-term energy supplies for the Federal Republic of Germany as an industrialised country and a major exporter, like France and Japan.

"It was to make the Federal Republic independent of imported primary energy, an objective comparable with bids to ensure the continued use of German coal."

So the RWE board still feel the reactor must be taken into service, which it *now could be at any time, always assuming* the official go-ahead is given.

They feel it must be commissioned to set up a qualified supply industry for components and fuel rods, to draw up binding and specific licensing criteria and to gain construction and operating experience of a full-scale reactor prototype.

Are German power utilities in the process of backing a technique that



stands no chance of further development in the Federal Republic in the foreseeable future?

In the medium term they certainly seem unlikely to derive any economic benefit from the commitment.

The interest shown by Siemens subsidiary Kraftwerk Union (KWU), now virtually the only German nuclear power station manufacturer, is more readily understandable.

KWU has not only been responsible for building Kalkar; it is also in charge of construction work in Wackersdorf.

Opponents of the breeder reactor concentrate on the risk Kalkar represents and point out what could happen if a worst case accident happened.

A catastrophe of Chernobyl dimensions, which can never be entirely ruled out, would necessitate the evacuation of millions of people in the most densely-populated industrial region in Europe.

Industry in an area bordered by Rotterdam, Bonn and Dortmund would at least temporarily be brought to a standstill.

North Rhine-Westphalia's SPD Premier Johannes Rau may have had this possibility in mind when he wrote to Siemens director Heinz Beckurts on 13 October 1985.

Herr Beckurts had sounded a worried note about the German economy in general and technological progress in particular. Herr Rau replied:

"We remain doubtful whether fast breeders are a suitable and responsible means of ensuring future energy supplies.

"As you know, uranium supplies should be no problem for the foreseeable future, making it doubtful whether breeder technology will make economic sense."

The SPD Shadow Chancellor's doubts were heightened by hairline rifts in welding seams from which liquid sodium coolant might leak.

"I don't want to overrate the importance of this mishap in the non-nuclear part of the reactor but I am bound to *point out that public confidence is hardly enhanced by such failures.*"

Yet the *Land* government's confidence in the high-temperature reactor recently taken into service in Schmehausen, near Hamm, is unbroken.

At Schmehausen the heat that generates turbine steam is produced by uranium- and thorium-filled graphite pebbles the size of tennis balls.

The reactor system used in Schmehausen was devised in the Federal Republic and is said to be particularly safe.

"The high-temperature reactor," writes the North Rhine-Westphalian government in its energy report, "can generate power with a high degree of efficiency.

"Surplus heat can be released into the atmosphere via a dry cooling tower without heating rivers and waterways and in an environmentally responsible manner.

"It can also supply industry with process heat or piped heating for domestic consumers.

"*It is a potential supplier of heat at* temperatures of up to 950° C for coal gasification or liquefaction."

Industry has yet to show keen interest in the pebble-bed reactor as a supplier of process heat, steam or electric power in Germany or Europe or in the United States.

It is too expensive in comparison with conventional techniques. Gas, oil and even coal are much better value.

Besides, petroleum prices are so low that coal gasification as a substitute for *oil is no longer of immediate interest.*

So the 300-megawatt reactor in Schmehausen, like its controversial counterpart in Kalkar, seems likely to remain the only one of its kind for the time being.

On the drawing board there are plans for a 500-megawatt pebble-bed reactor, but whether it will be built is as uncertain as the prospect of another fast breeder reactor in Germany.

Advanced reactor designs seem to be faring badly at present. It remains to be *seen whether the high-temperature* reactor, which is said to be particularly safe, will derive any benefit from the ill wind of Chernobyl.

Leonhard Spielhofer

(Kölner Stadt-Anzeiger, Cologne, 31 May 1986)

Power station leak adds to controversy

There was a slight leak in a nuclear reactor at Hamm, in Westphalia, on 4 May, a week after Chernobyl. The information did not become known until 1 June. The authorities say they were not informed. The company that runs the reactor said it did pass the information on.

So the thorium high-temperature reactor in Hamm has joined the fast breeder reactor at Kalkar in the centre of post-Chernobyl nuclear controversy.

It is ironic in that the ruling Social Democrats in North Rhine-Westphalia have not mentioned Hamm in their post-Chernobyl criticism of nuclear power.

North Rhine-Westphalian Premier and SPD Shadow Chancellor Johannes Rau said high-temperature reactors were the safest and best technique available.

The 300-megawatt prototype reactor in Hamm was only taken into service and its output gradually increased this year. It took nearly 15 years to complete and cost DM4bn.

It is the world's first full-scale pebble-bed reactor and is fuelled by graphite pebbles filled with thorium and uranium rather than with conventional nuclear fuel rods.

The advantage of the pebble-bed technique is that the reactor doesn't need to be shut down when rods need replacing. The pebbles can be continuously retrieved and replaced.

The use of thorium as a fuel is said to be less expensive than uranium, which is scarcer. But fuel disposal problems have yet to be finally solved for either technique.

North Rhine-Westphalia includes the Ruhr, a major coal-mining region. The high-temperature reactor seemed particularly attractive because it produces process heat of over 1,000° C suitable *for industrial* use.

At the inauguration ceremony the high-temperature reactor was hailed as the mainstay of a new overall energy system based on coal and atomic energy.

The aim was to harness pebble-bed process heat to convert Ruhr coal into gas or oil at some stage.

Klaus Knizia, chief executive of VEW, the utility that is the major *shareholder* in the new power station, works on the assumption that coal will regain in the long term its importance as a source of primary energy.

But the boom in coal gasification and liquefaction looks a steadily more distant prospect as oil and gas grow less expensive, making the cost of these technology seem even higher.

There are few signs of coal gasification or liquefaction and power generation using high-temperature technology proving anywhere near economic as matters stand: Not even the Hamm reactor can generate power competitively.

Yet the process heat option assured the high-temperature technique of political backing by coal interests in the Bundestag and state assemblies, especially in North Rhine-Westphalia.

It enjoyed this support even though atomic energy is otherwise seen as a rival to coal-fired power stations.

The Hamm reactor is planned as the forerunner of a larger, industrially advanced 500-megawatt reactor from which process heat could be put to more extensive use.

Gernot Hell[illegible]

(Mannheimer Morgen, 2 June 1986)

■ HEALTH

Alcoholism and drug addiction at work and school are on the increase

Alcoholism and drug addiction at work are increasing. More and more workers have bottles of drink or a tube of uppers or downers in a desk drawer.

Police drug squad officers say there is probably *cannabis resin on the premises* of almost every firm in the country.

Reports from America suggest that many industrial deaths and large claims for damages arising from accidents are due at least in part to the influence of drugs.

*Klaus Mellenthin, the head of Baden-*Württemberg's narcotics department, warns: "Every drug wave in the United States reaches this country sooner or later."

The head of one pharmaceuticals delivery service long believed the stories of one driver who regularly reported *dropping* and breaking cartons of am*poules*.

It was only when the driver had a traffic accident while under the influence that it was realised he was an addict.

There are many similar stories in the records of the Baden-Württemberg CID in Stuttgart.

Herr Mellenthin says: "Drug-taking leads to accidents at work. Crime in connection with drug procurement is on the increase."

Both are extremely expensive for firms and the public. Drug dealing is flourishing.

A road haulier whose trucks went as far afield as Turkey was found to have hashish stashed at his depot. His drivers smuggled in the cannabis that police dogs nosed out.

"An *economy* so export-oriented as Germany's," Mellenthin says, "provides shady characters with a wealth of opportunities."

There are no statistics yet indicating how many Germans are "high" at work, but well over a third of 15- to 25-year-olds are known to have tried out soft drugs such as marijuana and hashish.

More and more cocaine is finding its way into Germany too. It knows no social barriers: it is sniffed by disco users and company executives alike.

German authorities estimate that between 500,000 and 800,000 people out of a population of just over 60 million are drug addicts.

This figure is hardly surprising when



doctors issue about 70 million prescriptions a year for psychopharmaceuticals.

The most frequent combination is two tranquillisers, to be taken after a *heart drug*. Hardly anyone bothers to notice when taking painkillers or sleeping pills that they contain addictive substances.

Klaus Schneider of the *Aktion Jugendschutz* youth protection campaign quotes a Hamburg survey's finding that *15 per cent of pre-school children have* taken psychopharmaceuticals.

Eleven per cent of eighth grade *Gymnasium* (high school) students (aged 14-15) admitted to regularly taking drugs to boost their performance before exams.

The news that amphetamine ("speed") is trading in growing quantity on the illegal market can only be de*scribed as alarming.*

"Amphetamines seem to match our ideology well," Mellenthin says. "That is probably why the Japanese have serious trouble with them too."

Higher concentration and greater performance are in demand. No-one stops to think what the consequences may be.

There are no statistics on the economic damage done by drug abuse at work. No-one has estimated the waste output, the higher absenteeism, the accidents and losses caused by pilfering of material.

A single statistic divulged by the state health insurance scheme in Stuttgart conveys a vague idea of the cost.

Each addict costs the scheme DM7,000 a year. Therapy costs a further DM60,000.

Rita Russland of the Frankfurt branch of IG Metall, the 2.5m-member iron, steel and engineering workers' union, will shortly be publishing her findings.

Alcohol, she says, is still the front-running drug in German firms: "Beer costs less than hash." But new trends are in the offing.

Unemployed youngsters are taking to glue-sniffing in increasing numbers, probably because they can't afford beer.

Women and male salary-earners are particularly prone to drug abuse. They could prefer not to be caught red-handed swigging at a bottle of booze.

Christa Merfert-Diete of the German Addiction Research Establishment sees a reason other than pressure of work why more and more people are using drugs.

"People no longer allow themselves the time to adjust from the pressure of work to the less strenuous demands of leisure," she says. "They take pills to speed the process."

Older people tend to do so unconsciously. Younger people know just what they are doing and are well aware what combination will have which effect.

Baden-Württemberg factory inspectorate and the youth protection campaign ran drug seminars in the early 1980s but had to scrap them in mid-1983 when the employers withdrew financial support.

Employers argued that if such work was necessary it must surely be the responsibility of works doctors: But works doctors are only just beginning to come to terms with the task.

Even firms with American subsidiaries or parent companies that have faced serious drug problems for years see no reason for action in Germany.

The worker who takes drugs takes *good care to camouflage his addiction.*

Alcoholism is the exception in that many German firms run rehabilitation schemes or arrangements along the lines of "offer to help staff with alcohol problems rather than turf them out."

Gerd Pfitzenmaier

(Stuttgarter Nachrichten, 24 May 1986)

Riot control gas 'could cause cancer'

Chemical agents in gas used by police against civilians could eventually cause skin cancer, an authority on poison gases told an inquiry in Munich.

Max Daunderer, head of the Munich toxicology centre, was giving evidence at a hearing into injuries received by demonstrators at Wackerdorf, a proposed nuclear reprocessing plant in Bavaria.

During demonstrations, police used both CS and CN gas from water cannon and helicopters.

Daunderer said if the State wanted to *use chemical weapons against people*, it should at least set up treatment facilities. Forty two seriously ill people had been admitted to the clinic after the Wackersdorf demonstration.

The hearing was held by Social Democrat Members of Parliament in the Bavarian State assembly.

MPs saw slides of seriously injured demonstrators. Some had swollen joints, others red patches and blisters all over their bodies. Doctors said the first- and second-degree burns were merely the outward signs of the use of nerve gas at Wackersdorf.

This skin damage took about 10 days *to become evident. Daunderer said the* slow emergence of symptoms was "extremely mysterious."

The toxicology centre has an international reputation. Staff flew to Bhopal, in India, after the gas leak there.

Only three of the 42 seriously ill pa*tients admitted to the clinic after Wack*ersdorf, all young, said they had been really active demonstrators. The remainder said they were merely inquisitive or sympathised with the protest campaign and had been nowhere near where the water cannons sprayed or gas grenades were dropped.

Wolf-Dieter Grahn, a doctor in nearby Schwandorf, outlined three typical cases of patients who had consulted him.

He had diagnosed a lung oedema in its early stages in a 23-year-old man and acute bronchitis in a 42-year-old man and a 31-year-old woman.

They all had serious skin trouble on their arms and chests. Dr Grahn said he no longer believed constant assurances that these subatances were harmless.

He had found not only unprotected parts of the body to have been damaged; the caustic toxin had also penetrated thin, wet clothes and close-fitting jeans.

The effects lasted far longer than medical literature had so far indicated.

Daunderer, the author of a standard toxicology manual, concludes: "If the state feels obliged to use chemical agents against the civilian population then suitable treatment facilities ought at least to be laid on."

He was not, as a poison gas expert, prepared to rule out the possibility of skin cancer resulting years afterwards. It was, indeed, more likely than not to turn out to be a cause of cancer.

Dr Karl-Heinz Summer of the toxicological unit at the Federal Radiation and Environmental Research Establishment, Munich, said the long-term effects remained to be seen.

The chemical compounds used were certainly not harmless, he said. Dr Summer is a biochemist.

He had toxicological reservations about using nerve gas merely to break up a demonstration, as had been the case at Wackersdorf.

CN was probably even more harmful *than CS gas, said Professor Johannes* Ring of Munich University dermatology department.

As a specialist in allergies he felt it was surprising that skin trouble had taken so long to occur. That could hardly be what the user had in mind.

Professor Werner Lenk of the university's pharmacology and toxicology department said the symptoms vanished within 10 to 20 minutes if the victims left the scene as soon as they were hit.

But he admitted the substances used were potentially dangerous if they scored a direct hit. There were also risk factors such as differences in the speed at which shells were fired.

Rainer Griesshammer, a research chemist at the Freiburg ecological research institute, said CS gas even in minute concentrations caused eyelid cramp, panic, feelings of claustrophobia, high blood pressure and respiratory arrest for up to 10 seconds.

"*Those who are to blame for its use*," he said, "run the risk of innocent bystanders being killed."

Karl Stankiewitz

(Stuttgarter Nachrichten, 6 June 1986)

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■ CITIES

Heidelberg's eternal romance lures writer and wayfarer

DEUTSCHES ALLGEMEINES
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During a visit to Switzerland in 1797 Johann Wolfgang von Goethe described Heidelberg as follows:

"It is fair to say that there is something ideal about the location and surroundings of this town, something which can only be clearly portrayed by those familiar with landscape painting."

The poet Johann Christian Friedrich Hölderlin depicted Heidelberg in a more intricate manner:

"*Heidelberg, du der Vaterlandsstätte ländlich-schönste, soviel ich sah.*" (Heidelberg, the pastorally fairest of towns in our fatherland that I ever did see)

The city on the River Neckar, where the river flows from the green Odenwald hills *towards the Upper Rhine* plain, has always fascinated poets, painters and musicians.

During the Age of Romanticism it was the a centre for a whole generation of artists.

Heidelberg today is the most culturally laden of all German communities and *is experiencing a never-ending stream* of visitors.

There is likely to be a record number of tourists in 1986, since Heidelberg will be celebrating the 600th anniver*sary of its university (the oldest in Ger*many) by organising numerous events, festivals and conferences.

On 18 October, 1386, Pope Urban VI gave his approval for the foundation of the university, the Ruperto Carola.

The city of Heidelberg, which for many tourists is probably the most important sight worth seeing during their visit to Germany, radiates a charm it can call its very own.

The harmony of the romantic atmosphere is a common feature of the old part of the city and its castle.

Nevertheless, there are contrasts.

Heidelberg, for example, is a city with 130,000 inhabitants, yet still retains its small-town character.

It is both old-fashioned and progressive.

Those who visit the university's venerable old assembly hall (Alte Aula), which is lined with wooden panels, or take a look at the detention cell where students who caused trouble were detained on bread and water may feel that time has stood still.

The famous old student bars create a similar atmosphere of yesteryear.

In reality, however, quite the opposite is true.

Germany's oldest university is one of its most progressive.

30,000 students, 30,000 young people keep the city in full swing.

Despite the Biedermeier architecture à la Spitzweg in the old part of Heidelberg the third millennium has long since begun here for science and research.

The city will not only be celebrating the university's 600th anniversary in a *big way by organising exhibitions* and fairs, but hopes to turn the whole thing into a more "permanent event".

A science forum will be set up in the old part of the city as a meeting-place for researchers from all over the world.

This forum is already booked up for the next few years.

The *Land* of Baden-Württemberg will be presenting the university with an underground stockroom for its library, able to stock 1.2 million volumes.

The third long-term facility will be an "intelligent computer network" to develop new forms of scientific collabora*tion.*

Visitors to Heidelberg are guaranteed the best view of the city if they take the trouble to climb up to the Philosophenweg on the steep right-hand side of the river.

They can then look down on the maze of red tiled rooves in the old part of the *city on the other side of the Neckar*, across the arches of the famous Old Bridge with the impressive towers of the bridge's gateways, or the *Heiliggeist* Church and the royal stables.

The red sandstone Heidelberg castle, most of which has been a ruin since the end of the 17th century, towers above all of these buildings.

The castle epitomises the Romantic period.

William Turner was able *to convey* this atmsophere in one of his famous paintings.

In the city below the barges can be seen chugging along, the white fleet of pleasure boats leisurely winding their way.

In the evening, when the city's lights *gleam and the castle is festively illumi*nated, the empty hollows of the castle ruins light up.

During the day *visitors from all over* the world flock to see the Royal Chamber and the Ottheinrich building, the *Big Barrel in the castle* cellar, and the German Pharmacy Museum.

Some may take time to gaze down on to the city's rooves and river from the castle's balcony. Later on in the evening

Continued on page 15



Up-to-date city with yesteryear atmosphere . . . Heidelberg. (Photos: Archives)

Menge didn't mish about with this Masch . . . Hanover's Masch lake.

Hanover celebrates its lake and the trick that built it

The fact that Hanover, the capital of Lower Saxony, has the reputation of being a "Green City" has nothing to do with politics.

Hanover's friendly features have often remained unrecognised outside of Lower Saxony because the people from *this area don't like making too much of* a fuss about their own and their countryside's qualities.

Yet there are clearly three things of which Hanover and its surroundings can be proud: the Royal Gardens of Herrenhausen, the Eilenriede city forest, and Lake Masch.

Lake Masch covers 78 hectares and is located in the Leine lowland area south of the city centre.

Together with its two "rivals" Lake Masch is a leisure eldorado for the city's 550,000 inhabitants.

On 21 May this "man-made" *lake* celebrated its 50th "birthday".

Fifty years ago Lake Masch was opened to the public by the mayor of Hanover at the time, Arthur Menge. Although Menge was a liberal-conservative politician he was able to stay in *office* during the first years of Nazi government. After two-years of hard work the artificial lake covering the meadowland of the "Aegidienmasch" was ready for the rowers and yachtsmen of Hanover. The *people of Han*over turned the ceremony into a public festival, which was so colourful that the Nazi Brownshirts seemed no more than of peripheral importance. Hitler's supporters seized every opportunity to present the work on Lake *Masch as their own* — social — achievement. Mayor Arthur Menge, however, cleverly obtained the funds from the Nazi's job creation programme to employ over 1,500 unemployed people in the city. The work was poorly paid (… pfennigs an hour) and the workers … to bring along their own *pickaxes* and spades for the heavy labour in the marshlands.

Non-Nazi Menge had to use every *trick in the book* to secure the funds needed to carry out this project.

The idea of creating a lake on the Masch meadowland "outside of the city" (at that time) was discussed long before 1936.

During the early years of the Bismarck era the ambitious *up-and-coming* bourgeoisie of the industrial city on the River Leine, Hanover, came up with the idea that the city needed something resembling Hamburg's Lake Alster.

This vision has its origins in the regularly flooded and frozen-over Masch meadowland area during winter.

The city dwellers then came in their thousands to skate on this artificial lake.

In its frozen state Lake Masch is a hundred years old.

The discussions on whether to create an artificial lake all year round dragged on throughout the decades.

During the 1920s the plan *had to be* dropped because of the Great Depression.

Today many people in Hanover take the existence of the lake for granted.

Lake Masch is two metres deep, gets its freshwater supply from the River Leine, and is "sealed up" underneath by layers of clay and a bed of gravel.

Young people are often surprised at how recently the lake was dyked.

The city of Hanover will be celebrating its lake in proper style later on in the *summer.*

For those interested in the historical facts and figures there is a documentary exhibition in the Historical Museum (until 24 August) as well as a book on the lake's history and one containing stories about the lake.

Between 4 July and 31 August there will be a whole series of festivals, beer parties, regattas and firework displays in honour of the lake.

The Lake Masch festival itself takes place between 15 and 24 August.

A British Week and a folklore festival are also planned.

It looks as if the people of Hanover will be making more of a fuss about their city this year.

Michael …

(Die Welt, Bonn, 21 May 1986)

■ DYNASTIES

The lonely final days of the last of the Krupp family



Arndt von Bohlen und Halbach . . . all they wanted was his diamonds. (Photo: dpa)

RHEINISCHE POST

The Krupp dynasty is dead. Its last member, Arndt von Bohlen und Halbach has died of cancer in a Munich clinic.

At the end, the last Krupp, whose fortune was estimated in 1982 to be 160 million marks, was alone. His wife, Henrietta, was in some other part of the world. They had not been living together for some time.

A few days before, he had returned from New York. The ravages of his illness were visible.

Krupp has been a major factor in German *industry* since the first decade of the 19th century. Arndt was meant to carry on the tradition, but it didn't work out that way. Even before he was born, *he was causing consternation. It* was early in 1938 and the Krupp organisation which had to discontinue its favourite occupation of *making large guns* during the Weimar Republic, felt the winds of resurgence in the Third Reich.

Alfried Krupp made an embarrassing mistake. He got Anneliese Lampert pregnant. The family didn't want any illigitimacy, so the pair were rushed to the altar. Ten weeks later, on 28 January, 1938, *Arndt was born.*

Alfried's mother said Anneliese was not good enough for a Krupp and she pushed for a separation. Anneliese was given a payoff of a million Reichsmarks. Mother and child lived out the war on a farm in Westphalia.

In his last interview, last year, Arndt said: "*We only came through* those years because of love on both sides."

After the war, Alfried Krupp was tried at Nuremberg on charges of using slave labour, looting and appropriating property in occupied areas. He was relieved of his fortune and jailed for 12 years.

But in 1953, the judgement was amended. The Krupp empire was needed to help the recovery of German industry — *so Alfried came back to run* the business again.

He decided to pay his former wife a *allowance of 10,000 marks a month* and then he set about the task of forging Arndt in the Krupp image.

Arndt remembered: "I was meant to become hard and insensitive. I went to a boarding school where my father had been imprisoned. The other children called me the war criminal's son."

He was taken from one boarding school to another. His father wanted *him to study business management* so he would be suited to head the fifth generation of the empire.

But Arndt wasn't up to it. On 1 April 1967, just a few months before his death, Alfried Krupp von Bohlen und Halbach announced that a foundation would be formed through which Krupp would become a public company.

This had been made possible by Arndt giving up 2.5 billion-mark inher*itance rights and the Krupp name.* After 156 years, the empire was no longer in the hands of the family.

Arndt was given a nett allowance of two million marks a year. And so, for this 29-year-old, began the life of the international jet setter, the doyen of the in people. He had more than 70 members in his entourage to look after his every wish.

He commuted between villas and houses in Morocco; Palm Beach, Cali*fornia; Sylt, the island in the North Sea;* Munich; and New York.

One newspaper said it was a case of idle bliss for the "richest under-age pensioner" in Germany. He got married. He had met Henriette, born Princess von Auersperg, at Schloss Blühnbach, near Salzburg, 10 years before.

But as the years wore on, he came to see "envy and resentment everywhere" in Germany. Burglars wanted his "dar*ling" diamonds and sapphires, worth* a cool 3.5 million marks; his yacht had been burnt; and he had received threatening letters.

He sought salvation in the Far East, in Thailand and the Philippines, where he became involved in social work. He estimated he donated 600,000 marks a year to the blind and the leprous in Asia.

But it was the 1980s and he was already ill. In 1982 he became a Catholic. *The ceremony was carried out by Cardi*nal Jaime Sin himself in the Philippines.

Doctors didn't give him much more *time to live. But he remained optimistic,* ouwardly at least.

Last year, when the effects of his illness were already apparent, he asked in reply to a question: "Do I look like someone who's ready to die this year?"

Detlef M. Berthelsen/dpa

(Rheinische Post, Düsseldorf, 18 May 1986)

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visitors can listen to the serenade concerts or look at the festival plays per*formed in the castle courtyard.*

The "Castle Illumination and Cascade" in Heidelberg is the climax of *their stay in Germany* for almost one hundred thousand tourists.

When strolling through the streets of Heidelberg the tourist will discover that almost every stone is a piece of history.

The Kornmarkt with the Baroque charm of its statue of the Virgin Mary, the Heiliggeist (Holy Spirit) church from the *Gothic period with its con*troversial new church windows.

Not forgetting the Palatine Museum *with its famous* Zwölfbotenaltar (Altar of the Twelve [illegible] Riemenschneider.

It is here that we also find William Turner's painting of Heidelberg.

The museum garden provides a tranquil resting place for weary tourists.

The garden is only a few steps away from the hurly-burly of Heidelberg's main street and pedestrian shopping precinct.

"I lost *my heart in Heidelberg*," the poets once sang, and Gottfried Keller, who was awarded a grant by the Swiss *canton* of Zurich to study in Heidelberg, agreed with Goethe that Heidelberg is worth more than just one visit.

Insiders are not the only ones to claim that this is still true today.

Ilse Tubbesing

(Deutsches Allgemeines Sonntagsblatt, Hamburg, 1 June 1986)

Irmgard von Opel, show-jumping businesswoman, dies at 79

When she was a child, Irmgard von Opel's favourite playground was a yard at the Opel motor manufacturing works at Rüsselsheim, in Hesse.

As a young woman, she was for many years between the wars the most successful woman international showjumper.

As a businesswoman, she remained energetic into old age.

She became a legend. One of her more spectacular efforts was in the last days of the war as the Americans were advancing. Fearful that a full-scale battle would damage the historic town of Ingelheim, on the Rhine, she courageously intervened and the Americans agreed not to shell.

Otherwise, Ingelheim would have been fiercely contested and much of it would probably have been destroyed.

Irmgard von Opel has died at the age of 79. She was the daughter of the second of the five Opel sons, Heinrich. She proved to be an outstanding businesswoman after the early death of her father and after the Opel firm (founded in 1862 in Rüsselsheim by Adam Opel) had been sold to General Motors.

She never had a horse riding lesson, but developed into one of the outstanding horsewoman of the 1930s, winning many tournaments.

She ran a 300-acre farm where she bred beef and pigs and ran dairy herds. She also raised thoroughbred horses, had a pharmaceutical factory and a potato chip works. Until recently, a textile factory in Worms belonged to the family empire.

Her first marriage was to the son of the Mayor of Mainz, Külb. Later, she married her cousin, Georg von Opel (1912-71), a successful businessman *through whose firm half of all domestic* Opel car sales were made.

He was also a lovable altruist. He created a zoo and began the Golden Shoe project, a forerunner of modern jogging.

Many of these activities were carried on by Irmgard until a few years ago.

Until the end, her great interest was horses and equestrian sports although she stopped competitive riding in 1937.

Günther Leicher

(Allgemeine Zeitung Mainz, 23 May 1986)



Peter von Siemens . . . image polisher. (Photo: IP)

The late Peter Siemens: firm before family

Peter von Siemens, who has died at 75, was responsible for a break with *tradition: under his eye, the supervisory* board came to be run for the first time by an outsider. Never before had the board been headed by anybody but a Siemens.

Von Siemens believed that the interests of the organisation were above those of the family. That was the policy during the 52 years that he was active with the firm which his great grandfather, Werner von Siemens (1816-92) *founded together with J. G. Halske in* 1847.

Peter von Siemens was born in Berlin *in 1911 and, although there was never* any doubt that one day he would play a leading role in the business, at no stage did he regard it as a right. It was more a task that he had to complete.

He studied business and social science and then went to work for what was then Siemens & Halske AG. The door was open, but for each member of the family it was a matter of working one's way up from the bottom.

He worked on the overseas section and then went overseas. It was only in 1959 that he was called to the management board, in charge of the day-to-day running of the group.

Three years later he moved up to the supervisory board. In 1971, he became head of the latter board in succession to his uncle, Ernst von Siemens.

Ten years later, just a few days before his 70th birthday, he resigned to make way *for the long-time head of the ma*nagement board, Bernhard Plettner.

In the long history of the business, Plettner was the first non-family member to hold the job. It was not a decision that had been taken out of resignation. It was out of an understanding of the needs of the business.

Siemens today has a turnover of more than 54 billion marks a year. It employs more than 300,000 and has the same *number of shareholders.*

Under Peter's control, the group increased both its efficiency and its image. *He had ideas that were only later to be*come vogue. For example he said years ago: "Ecology must look along economic lines if it is to be possible. Business must establish itself along ecological grounds if it is to avoid destroying itself."

Gerd Brüggemann

(Die Welt, Bonn, 24 May 1986)